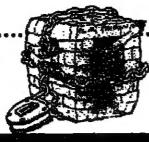
FINANCIALAIMES

Weekend FT Prisonsright or wrong?



The world's most expensive coffee



On the wicked side of Everest



Bulgarian bank may default on bonds worth Y5bn

The likelihood of a default on Y5bn (\$47m) in bonds issued by Bulgaria's Mineralbank increased sharply when Dimitar Kostov, Bulgarian finance minister, said that the government was under no obligation to cover the bank's debts. The default would come as a shock to Japanese investors who have been heavy buyers of yen-denominated bonds issued by foreign burrowers over the past year. Page 24

France Télévision chief resigns: The head of France Télévision, controller of the country's two public broadcasting networks, resigned after growing public criticism. Page 24

Schering, the German pharmaceuticals company, is set to expand its fertility and hormone division after announcing it was buying a 74.9 per cent stake in Jenapharm, eastern Germany's only profitable pharmaceuticals group. Page 8



Romano Prodi (near left) embraces other ministers after his government won a vote of confidence from Italy's lower house of parliament, completing the process of parliamentary approval. The prime minister promised to accelerate the announcement of a mini-Bank of Italy warned Mr

sent shares in London

fears grew. The FT-SE

to close flat on the day

tumbling as inflationary

fragile takeover premium

Prodi it would not cut interest rates unless the new government cut the country's budget deficit. In an address to the central bank's annual assembly, Antonio Fazio, the governor, also forecast that Italian economic growth could halve to less than 1.5 per cent this year, lower than official forecasts.

Siemens of Germany expects to triple its business in the Spanish telecommunications equipment sector as a result of an agreement signed with Spain's Amper group. Page 8

Royal Bank of Scotland has exercised options to purchase a further 1.04m shares in Banco Santander for £31m (\$47m) taking its stake in Spain's largest banking group to 4.94 per cent. Page 8

KHD is upbeat on survival prospects: Klöckner-Humboldt-Deutz, the German engineering group facing bankruptcy after the discovery of losses of DM650m (\$424m) last week, said it was "making good progress on a rescue bid". Page 8

A late fall in US markets

FT-SE 100 index

3,740 24 May'96 31

Gilts, which had been up half a point earlier in the day, lost half of their futures were sold back. The index ended 1.1 points up at 3,747.8, down

Page 21; Editorial Comment, Page 10; Markets, Weekend FT Page XXII

Albanian parties begin hunger strike: Albanian opposition parties have began a hunger strike in protest at last weekend's general elections, alleging ballot-rigging and violence. Page 2

Swissair is considering its next move in the acrimonious battle with BAA for control of the duty-free operations of Allders, the department store group. Page 7

Timothy Leary dies: Timothy Leary, Harvard professor, author, lecturer and former prison immate, died in the US, aged 75. He had cancer Leary gained fame and infamy in the 1960s for his experiments with psychedelic drugs. The progress of his illness was reported through his home page on the Internet, which recorded his death.

Russian train crash kills 50: About 50 people were killed near the western Siberian city of Kemerovo when four freight cars broke loose from a train and crashed into a passenger train.

Companies in this issue

Aliders Amper Antenna Hungaria BAA Mercury Asset Mingmt Midfand Bank Bridgend Group Carming (W.) Clondalkin NV Koninklijke Old English Pub Close Brothers Danka Business Dragon Oli Elys Royal Bank Scotland Schenng Select Appointments Helical Bar Van der Windt KHD Kelsey Industries 7 Varity Corporation

For customer service and other general enquiries call:

Frankfurt ((69) 15685150 Peres ousted as prime minister by tiny margin Arabs fear brake on peace process

WEEKEND JUNE 1/JUNE 2 1996

Netanyahu wins Israeli elections

Mr Benjamin Netanyahu, Israel's hardline rightwing leader, has country's prime minister, a final vote count showed yesterday, in elections that could upset the fragile Middle East peace process. As Mr Netanyahu's victory became clear, Palestinian offi-cials and Arab states warned about the risk of confrontation and violence if Israel's next prime minister carried out his electoral promises which would slow or half the peace process.

The central elections committee said Mr Netanyahu won 50.4

with 49.5 per cent for Mr Pe wafer-thin victory margin of a 29,500 votes. The result will not be official until published in the government gazette on Thursday. In spite of his narrow victory, the new Israeli system of direct elections of the prime minister should make it easy for 46-yearold Mr Netanyahu, Israel's youngest premier, to create a comfortable majority in the 120member parliament. Mr Netany-ahu is expected to form a govern-ment with a Russian immigrant party and religious and ultraorthodox Jewish parties, the big winners in the separate ballot for

Likud's top officials bare their teeth Life and death decisions for former commando

Mr Peres telephoned Mr Netanyahu, congratulated him and promised him a smooth transition although the veteran Labour party leader, who was awarded the Nobel peace prize, vowed to fight any move which would halt the Middle East peace process he

had helped to forge. US president Bill Clinton, who backed Mr Peres in the election, also telephoned Mr Netanyahu to congratulate him and invite him

process which must be completed within 45 days. Mr Netanyahu yesterday visited Jerusalem's Western Wall, Judaism's holiest site, to give thanks for his vic-tory but was silent on the future

Page 10

policies of his government. However, other senior Likud party officials gave a taste of what is to come.

Mr Ariel Sharon, tipped as Israel's next finance minister, said he would not meet Palestin-

"war criminal". Mr Sharon, together with Likud MP Mr Uzi Landau, also vowed that Israel would not honour its commit-ment to complete a military withdrawal from the West Bank town of Hebron, a flashpoint of Arab-Jewish violence.

"To defend Jerusalem from explosions, to defend the heart of Tel Aviv, we must not give them another base ... as Hebron," Mr Landau said Senior Palestinian officials.

who had been kept quiet by Mr Arafat until it was certain Mr Netanyahu had won, issued stern warnings about the possibility of a return to violence and confrontation if Likud's election platform

opposed a Palestinian state, any negotiations on the future of Jerusalem and said a free rein would be given to Israel's secu-rity forces in Palestinian areas. Mr Ahmed Qurie, Palestinian

architect of the peace accords, said that if the Likud policies were implemented "the region will return to a state of tension and violence, maybe wars".

He said the PLO had to re-eval-

towards Israel. Syria said Mr Netanyahu should be persuaded to drop his total opposition to returning the Israeli-occupied Golan Heights in

uate its negotiating strategy

Japan, S Korea told to co-host the World Cup

Unprecedented decision forces sharing of 2002 football contest

imiko Terazono in Tolojo and John Burton in Seoul

South Korea and Japan, the two contenders to stage the 2002 World Cup, were told yesterday to co-host the event after a revolt within the executive committee of Fifa, the governing body of world football.

The unprecedented decision would force the two historically antagonistic countries to share the responsibilities and the revenue of world football's premier competition. It was also an embarrassment for Mr João Havalange, Fifa president, who had backed Japan's bid.

ence at an hotel near Fifa's Zurich headquarters, Japanese and South Korean officials embraced. But in Tokyo, Japanese officials unfair and foresaw serious dis-putes over which country would host the opening ceremony and the final.

South Korean delegation head and a Fifa vice-president, said that in addition to co-operating with Japan, he planned to involve North Korea in staging some of the matches to break down political barriers separating the countries.

World Cup would "serve as an occasion to further solidify the and Japan".

Mr Chung Mong Joon, the

President Kim Young-sam of South Korea sent a congratula-tory message to the Fifa execu-tive committee and said the

The decision will also force Fifa to begin new negotiations on this week prior to today's broadcasting rights for the 2002 planned announcement on the



Executive revolt: FIFA president and general secretary João Havalenge and Joseph Blatter (from left), with Lennart Johansson, who warned that the campaign to stage the World Cup in only one of the countries threatened to divide the football world

tial offers were invited from interested parties on the assumption that the competition would he staged in one country.

The co-hosting option had gathsecret meetings of Fifa executive committee members in Zurich World Cup site. The revolt was spearheaded by Mr Lennart Johansson, another Fifa vice-president and head of Uefa, the European football body.

Mr Johansson and seven other to the organisation last month warning that the campaign to and undemocratic. stage the World Cap in only one of the countries threatened to day as "the beginning of a new

The issue of the 2002 World Cup was used by Mr Johansson and a majority of the 21 member a challenge to the long-running

Mr Johansson described yester-

Fifa." Another Fifa executive who did not want to be named said that Mr Havalange had sufblow" and serious damage to his whom they consider autocratic dent in 1998.

> IMG in running for Olympique Marseille, Page 2

> > Since Launch

272.45

N Ireland politics shaken by Sinn Féin election success

By John Kampiner and John Murray Brown in Belfast

Northern Ireland's political landscape was shaken last night as Sinn Péin emerged the main beneficiary from elections that will pave the way for all-party negotiations in 10 days' time.

Results from the province's 18 constituencies gave the IRA's political wing its best showing since the start of the Troubles 30 years ago, with 15 per cent of the

Mr Gerry Adams. Sinn Féin's president, called on the British government to respect his party's mandate and to drop its insistence that the IRA renew its ceasefire as a condition for Sinn Féin participation in the talks. Paradoxically, the outcome rep-

1,687,98

FT-SE 100: ______ 3,747.8

FT-SE-A All-Share _ 1,885,78

New York: karchtime Dow Jones Ind Ave 5,644.65

S & P Composite 687.68

FT-SE Eurotrack 100...

resented a boost for the party most vehemently opposed to the nolding of election

The most ardent advocates, the Ulster Unionists, suffered the biggest setback, although they remained the largest party with 24 per cent, just ahead of the moderate nationalist SDLP on 21 per cent, and the hardline Democratic Unionists who gained 19

Pressure will intensify on British and Irish ministers to allow Sinn Fein to participate. They will meet next Tuesday in a further attempt to agree an agenda for the round-table discussions which could produce a new constitutional settlement for the province. Mr Adams said on Thursday that he could accept a settlement that fell short of the

STOCK MARKET INDICES

(+1.1) , # US LUNCHTHE RATES

Long Bond

Foreign Exchanges

Federal Funds: 512%

3-m Trens Biller Yld .. 5.165%

III NORTH SEA OIL (Around

republican goal of a united Ireland.

Several key political figures in Northern Ireland acknowledged that Sinn Féin's strong perforimpossible any search for a peace deal that excluded Mr Adams's

The UK prime minister, Mr John Major, reacted to the results by underlining there would be no change in the position agreed by London, Dublin and Was that a ceasefire remained essen-

The 110-seat forum will comprise 10 parties. Each of them will send delegations to the

> Continued on Page 24 Results and analysis, Page 4 Editorial Comment, Page 10

> > # DOLLAR

New York lunch DM 1.52155

8.0205 (7.9647) DM 1.5276 (1.5323) 1 9899 (1.9312) FFF 5.1765 (5.1887)

III FT Guide to

5.1505 1.3475

1.2523 (1.2588) 108,10 (107.65)

New York lunchtime :

SFr 1,9402 (1.9313) 1,9402 (1.9913) SFr 167,400 (165,243) y

New York Convex[Aug) ...\$394.4 (397.0) £ Index 85.3 (85.7) \$ index 97.0

Share Information ______29.39

....\$392.25 (391.35)

CONTENTS

1,5494 (1.5346) V

DM 2,3586 (2,3515) Landon:

1.5623

Guinness Flight believes the time is right for Asia and now offers a range of nine funds designed to take advantage of the opportunities available in this region. your financial adviser.

ASSAM CURRENCY & BOND Launch date: 31.12.93 ASIAN SMALLER COMPANIES 1% DISCOUNT TO 1.7.96 MADRIC MINIAH FOURTY Launch date: 10.11.95

Launch date: 26.11.90

JAPAN & PACERC FUND.

Launch date: 25.01.85

Launch date: 26.11.90

Launch date: 26.11.90

JAPAN SMALLER COMPANIES

JAPAN FUND.

NEW

We are offering a special discount of 2% on investments made into three or more of the above Guernsey-based funds, before 1 July, 1996. A 1% discount will be offered on investments into one or two of these funds.

For further information please complete the coupon, call (44) 1481 712176 or contact

ASIAN FUNDS

Return for Guirness Flight Fund Managers (Guernaey) Limited, PO Box 250, Guernaey, CY! 3QH, Channel Islands. Tel: (44) 1481 712176. Fasc (44) 1481 712065. Please send the details of Guirness Flight's range of Asian Funds. Tiple ____ Intelale ____ Name _

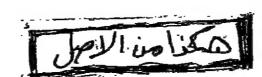
and was the same and an experience of the same state of the same state of the same state of the same state of

"Source: Micropal, Offer to effer, gross income reinvessed in USS to 1.5%. Five year performance: ASSAN: +157.1%; Hong Korry +222.6%, Japan & Profile: +88.5%; Japan Sander Companies: +4.1%, ""ASSAN sector portormance, source: Micropal, offer to offer, gross account reformanced, 5 years to 1.5%; 5%, M. hinds, people the Chies and Maderia knokes Equity Francis, are part-units of Goldmans: Physic Global Strustage; Fand Lindad, a Guarriary-based unphysiola fand, Mighampan investionant per fund: USSTAIR. The Chies and Maderias Inciden Equity Francis are sub-funds of Goldmans Physic Struster Plants of Debies-based "milterplin" fund. Miliatura Investigation 19.00 per page 19.00 p

Albertia LEK221, Austria Sch37; Selpsin Dm1250; Sprinute \$7.00; Belgium BF-75; Careda C\$1.75; China FME26.50; Upprior CC1.20; Caseda Rep K680; Dervent, 08418.00; Egypt E25.00; Estain B0:22.00; Finland Fmid1, ___ Figures FF11.50; Garmany Dr.As (Dit Greeco D-Vi00; Hong Kong History History Fis20; Lodered G7030; India Rep75; Indonesia Rys.Dob: India NS70; Indy L2300; Japan Y500; Jordan 401.30; Kerce Woo 3000; Nursial Filas00; Laboron L13.000; United Literature L13.000; United Literature China Chi

© THE FINANCIAL TIMES LIMITED 1996 No 32,998

LUMBON - LEEKS - PARIS - FRANKFRIKT - STOCKHOLK - MADRID - NEW YORK - LOS ABELLES - TOKTO - NORS KORK



Italian PM warned to cut budget deficit

The Bank of Italy yesterday warned Mr Romano Prodi, Italy's new prime minister, that it would not cut interest rates unless the new government

cut the country's budget deficit.

In his address to the central bank's annual assembly, Mr Antonio Fazio, the governor, also forecast that Italian economic growth could halve to less than 1.5 per cent this year, lower, than official forecasts.

Mr Prodi's government yesterday won a vote of confidence from Italy's lower house of parliament, completing the process of parliamentary

ised to accelerate the announcement of a mini-budget for 1996. "We must go to the European summit in Florence on June 21 with a precise [bud-get] strategy," Mr Prodi told deputies. By tradition, members of the goverument do not attend the bank governor's address, one of the most important economic appointments of the year. But the speech sent a stark message to the new administration, which includes Mr Fazio's predeces-

sor, Mr Carlo Azeglio Ciampi, as trea-sury and budget minister. Mr Fazio suggested that Italy might overrun its target for a budget deficit of L110.000hn (\$70.5bn) this year by as much as 1 per cent of GDP. Economists said that would imply a corrective mini-budget of between L17.000bn and L20,000bn, more than the incoming government had considered neces-

"Severe but credible objectives, for this year and for 1997, are essential for the balance of the financial markets and for a further reduction in interest rates," Mr Pazio said. Since the centre-left's election victory on April 21, equity investors have been hoping for a cut in the official discount rate, which stands at

2,500 Italian bankers, entrepreneurs and trade unionists that inflation, still running at more than 4 per cent in April and May, remained the main

target of monetary policy.

To the irritation of the industrialists present, Mr Fazio laid part of the blame for inflation at the door of Italian companies, which he said had maintained profit margins at nearrecord levels, even though demand was now flagging and the lira was strengthening. "The vicious [inflation-ary] circle, which affects employment and investment, can and must be bro-ken, with a halt to inflation and, as

spread price reductions," he said.

Equities and the lira were stable of provisional GDP figures for the first quarter, which showed annual

growth of 1.2 per cent. Analysts said that although the governor had lowered hopes for short-term interest rate cuts, a rigorous policy was good for the long-term outlook and for the lira. Mr Bruno Rovelli, an economist with Bank of America in Milan, said: "The fact that the Bank has set a very tough inflation target of less than 3 per cent for next year is positive."

IMG in running for Olympique Marseille club

The International Management Group of sports entrepreneur Mr Mark McCormack is one of two candidates likely to take control of the scandal-ridden French football club Olympi-

que Marseille. The club's future has been in doubt since the bankruptcy in April last year of the company which controlled it and since the French businessman and politician Bernard Tapie, who controlled the company, was found guilty of charges of

match-rigging.
Olympique Marseille confirmed last night that IMG was one of two purchasers being seriously considered in a move which could take place within the next few weeks. The other is Tati, a French textiles group. However, the club stressed the final decision had not been taken, and rested with Mr Jean-Claude, Gaudin, the city's

Control of the football club, which was acquired by Mr Tapis in 1991 and generated liabilities of FFr300m (\$58m), was temporarily passed into a special company last May following a commercial court ruling. The city of Marseilles holds just over half the capital, with other stakes held by the regional council and by several

business groups. The offer for the club by IMG forms part of a calculated strategy to extend the company's worldwide sporting interest into the hugely profitable and growing business of Euro-pean football.

While the group's marketing and TV interests span several sporting activities, its football interests have until now been focused on the Far East and

Mr Eric Drossard, IMG's senior vice-president, said his

in acquiring the club in time for the 1998 World Cup in France, as he hoped this would more than justify the investment that the company will have to make in the acquisi-

tion of new players. The Marseilles stadium is being refurnished and expanded with funds from the French government and will be one of the main venues for the 1996 World Cup.

Company wants to acquire club before 1998 World Cup

IMG expects that it would have to invest at least FFr100m in rebuilding the team as one of the top European clubs. It is understood that the deal to acquire the club will be concluded within the next two weeks, after the completion by IMG of a due diligence report on the club and final meetings with officials in Mar-

Olympique Marseille was promoted to the French first division last month, after being twice relegated by the football authorities following its bankruptcy and charges brought against Taple for bribing the rival French team of Valenciennes to lose a qualifying match for the European cup in

Reuter adds: Tapie was sentenced yesterday to six months in prison and banned from running a business for 10 years over the management of his luxury yacht Phocéa.

fraud, abuse of company assets and hankruptcy. He also received a total of 3% years in suspended jail sen-



Comeback kid rising in polls

Boris Yeltsin is all things to all men, writes John Thornhill

r Joseph Brodsky, the wry Russian poet, once wrote: "Ambivalence, I think, is the chief characteristic of my nation." If so, President Boris Yeltsin must surely rank as his country's most natural politi-

On Monday, he styled him-

It is the astonishing, and distinctly Russian, contradictions that the man embodies combined with his feroclous will - which make him such a formidable and flexible campaigner in the contest for the presidential office on June 16. In a blur of activity this week, the silver-haired Mr Yeltsin demonstrated his political skills to the full.

self as a peacemaker when signing a ceasefire agreement with the Chechen resistance leader in the Kremlin. But the following day he spoke as a triumphalist victor when congratulating Russian troops in He was found guilty of tax the ravaged southern region. On Saturday, he presented himself as the Soviet-style party manager promising state support for the coal industry, when mingling with the min-ers in the Arctic coal town of Vorkuta. But he was transformed into an economic liberal when presenting his elec-

toral manifesto in Perm Such stark contradictions

once mouthed Marxist-Leninist rhetoric sufficiently well to become a candidate member of . the Politburo, later took an axe to the Soviet planned economy and conducted the biggest sale of state assets in history.

The latter-day democrat, who faced down the tanks outside the White House building in the attempted bardline coup of 1991, then sent them back two years later to shell the same building.

And the man who flew to the Baltic states in the dying days of the Soviet Union to defend the sanctity of small nations, has ruthlessly crushed the independence aspirations of which has killed at least 30,000

people.
"Yeltsin does not have any personal democratic ideology. Mr Vyacheslav Kostikov, the president's former press secretary, wrote in a controversial book earlier this year. "His ideology, his friend, his concubine, his mistress, his passion, is power."

Many political observers dis-missed Mr Yeltsin as a spent political force last December as he lay in hospital and languished in the opinion polls with an approval rating of just -6 per cent. The war in Chechnya, the pain of economic reform and the corruption that encrusted his government seemed to have irretrievably

effect of will Mr Yeltsin has re-invented himself yet again, and it now appears distinctly possible that the 65-year-old politician, who has aiready lived six years longer than the average Russian man in spite of two serious heart attacks, can yet persuade his compatri-ots that he represents the best

hope for their future. Mr Lev Sukhanov, a close assistant who has stuck with Mr Yeltsin through thick and thin, is confident the president

When Boris Nikolayevich concentrates his will and decides he wants to do something he is frightening to embarrassment to those He makes people work five times as hard," he says, with a chuckle. "And Boris Nikolayevich badly wants to win."

t might seem surprising that the Russian people could be so forgiving of a politician whose promises seem so translett and whose record in office is so mixed. But this is perhaps to under-rate the politician's disarming candour - and the fear he, and the compliant media, have generated about a return to the communist past.

"I have made mistakes," he told an electoral rally this week. "But I know better than

didate and chief presidential pretender, Mr Yeltsin also appears to have kept a rapport with the Russian people.

Clutching a microphone or bouquet of flowers in his threefingered left hand (the result of a youthful experiment with a hand grenade), Mr Yeltsin will plunge into the crowds and vigorously shake voters' hands with his bear-like right paw.

The saturation television coverage has shown him sharing jokes with ordinary people or, at least, those screened by his bodyguards. He has even danced at a rock concert. without too much obvious The latest opinion poll sug-

gests Mr Yeltsin has now climbed to 34 per cent support. compared with 22 per cent for Mr Zyuganov. The same polling organisation put them at 29:24 per cent a week ago. Such polls may be misleading for many reasons: the sample sizes are small and weighted towards pro-reform urban areas; many are conducted by telephone, which excludes poorer Russians; and respondents may still be fearful of expressing disapproval of

the powers-that-be. But there seems little doubt that Mr Yeltsin's campaign has gained considerable momenturn this week, giving him an electoral chance few would have credited just a few

refugee to someone fleeing

conflict, fearing that this might lead to pressure for

INTERNATIONAL NEWS DIGEST

Klaus favoured in Czech poll

The Czech Republic's 8m voters went to the polls yesterday at the start of two days of voting in partiamentary elections—with the outgoing prime minister, Mr Václav Klaus, strongly favoured to win another four-year term.

The early themout was heavy in Prague as people cast their beforeheading for the course.

ballots before heading for the country, as many do each weekend. Folling stations remained open until 10pm last night and voting continues today between 7am and 2pm. Initial

and voting continues today between 7am and 2pm. Initial results are exjected early tonight.

One of the first to vote was President Vaclav Havel, who said he was "moved" by the many choices voters had before them and described the election as "a celebration of democracy". Voters can though only six are likely to exceed the 5 per cent threshold needed to get

Opinion polls have shown Mr. Shas's Civic Democratic party (ODS) with the support of 26 per cent of the electorate and it should again be the biggest party in the 200-seat parliament. The prime minister has campaigned strongly on the theme of continuity after four years of economic reforms that have maintained social peace. The main opposition Social Democrats, with 22 per cent, look set to strengthen their position considerably but are unlikely to be able to form a

Berlusconi cousin arrested

Mr Giancarlo Foscale, cousin of Mr Silvio Berlusconl and deputy chairman of Fininvest, the former Italian premier's private company, was arrested yesterday as Milan magistrates deepened their investigation into corruption allegations. Mr Guido Viola, Mr Foscale's lawyer, said his client was alleged to have bribed a manager of Isveimer, the medium-term lending arm of Banco di Napoli, in return for a preferential loan to a Fininvest finance subsidiary. He said Mr Foscale, who is also chairman of Standa, Fininvest's supermarket chain, was prepared to clarify the events in question, as far as he remembered them". A former isveimer manager was arrested on Thursday night in connection with

the same episodes. One of Fininvest's senior defence lawyers said yesterday that the Isvemer operation was "entirely normal". The arrest of Mr Foscale may further hamper Fininvest in floating Mediaset, the television and advertising subsidiary, on the Milan stock market, even though he has no direct links with

the company. Advisers say Mediaset is insulated from the probe into alleged falsification of accounts at Fininvest. Consob, the financial watchdog, is likely to decide next week whether to approve Mediaset's prospectus and clear the way for flotation this month.

US judge orders extradition

A US federal judge in Los Angeles yestarday ordered Mr Giancarlo Parretti, the Ibalian businessman, to be extradited to France on an international arrest warrant issued against him year ago. Mr Parretti was arrested in Los Angeles last October in response to the warrant, which alleges charges of abuse of corporate funds, forgery, fraud and deception in relation to the \$1.5m takeover of the MGM film studies which

He had previously been living in Rome, ignoring demands to appear before French investigators and extradition requests from both the French and US authorities.

Mr Parretti bought MGM from Mr Kirk Kerkorian, the US inancier, largely as the result of a loan from CLBN, the Dutch subsidiary of Crédit Lyonnais, the French state-owned bank. Mr Patrick Fièvet, the French investigating magistrate, began inquiries into the circumstances of the MGM deal, including charges against Mr Parretti, in 1991. Andrew Jack, Pari

Hungarian managers dismissed

Hungary yesterday took the unusual step of sacking the entire management and supervisory boards of Antenna Hungaria, its national radio and television transmission company. APV, the state privatisation agency, said the decision would take effect immediately in the interests of the company's

A tender for the company last year attracted just one, low bid while attempts to hold new tenders this year have failed. The management is believed to have opposed rapid privatisation, preferring a capital injection from the state, and ed also differed with APV over other aspects of strategy.

Under a media bill passed last year, the company is supposed to extend its transmission capacity to support new private radio and TV stations. But this has been held up by delays in finding a strategic partner for Antenna and the company's own limited resources. Media liberalisation and the sale of existing frequencies for

two TV channels are among the most important reforms on the government's agenda this year. Although Hungary was the pioneer of market-led reforms in the former eastern bloc, it has lagged well behind other countries in privatising TV and Virginia Marsh, Budapes

1960s mess

dLSD, die

Japan soothes US on insurance The Japanese government yesterday said negotiations would continue with the US over deregulation of the Japanese

insurance market despite the two countries' failure to reach agreement by today's deadline US officials have indicated they will take tough action if

Japan's powerful life insurance companies are allowed to handle accident insurance through subsidiaries. Washington would consider that to be a violation of a 1994 agreement, a US trade official said. The US had said many times that such as violation would require a "very serious response", he warned.
Washington claims entry of life assurance companies into
the accident insurance sector would be a "radical change in the business environment" in violation of the 1994 pact. Japan had agreed to avoid "radical" changes when deregulating this sector, where foreign insurance companies have carved themselves a profitable niche. Michigo Nakamoto, Tokyo

Doubts on HK growth target

Hong Kong's economy in the first quarter was up about 3 per cent on a year earlier, according to an official report. This cast doubt on the government's full-year target of a 5 per cent rise in gross domestic product.

Despite the relatively weak year-on-year figures in the opening period, Mr K.Y. Tang, government economist, said the per cent target was being maintained. Economists, however, were sceptical. "The target will be

difficult to achieve, and will require a very strong second-half performance," said Mr Ian Perkin, of the Hong Kong General Chamber of Commerce. He expects GDP growth of 4-4.5 per cent for the full year. In 1995, GDP rose 4.6 per cent.

The government also maintained an inflation target of 7.5

per cent for this year, against an average inflation rate of 8.7
per cent last year.

John Ridding, Hong Kong

Row over curb on China credit

US companies and several congressmen are protesting against a decision by the US Export-Import Bank not to finance sales to China's Three Gorges Dam out of concern for the project's environmental and socio-economic impact.

Mr James Owens, president of Caterpillar, said the decision would undermine US export competitiveness and the company's bid to sell earth-moving equipment for the project. Other US companies requesting Eximbank support are Rotec Industries and Voight Hydro.

"We do not understand why the White House would position itself squarely against the interests of those whose jobs directly depend on export sales," said Mr Owens. The timing is unfortunate because many pro-business congressmen, who urged the financing, will be expected to fight for the president's renewal of China's Most Favoured Nation status. being put to Congress on Monday. Nancy Dunne, Washington

French economy rebounds strongly

By David Owen in Paris

The French economy rebounded strongly in the first quarter, with gross domestic product rising by 1.2 per cent after a 0.4 per cent decline in the strike-affected final quarter

The unexpectedly big increase was hailed by Mr Jean Arthuis, finance minister, as a sign that "a clear recovery" was in process

He highlighted what he called the "new progression" in foreign trade, the country's low inflation and the "unprecedented" reduction in interest

But economists were more cautious, saying second-quar-

THE FINANCIAL TIMES
Published by The Financial Times (Europe)
Grohit. Nibelongenplatz 3, 60318 Frankfurt am Main, Germany. Telephone ++40
60 15a 850, Fax ++49 89 596 481. Represented in Frankfurt by J Walter Brand,
Wilbelm J Brüssel. Colin A. Kennard in
Geschäftsführer and m London by David
CM Bell. Chairman, and Alan C. Miller.
Deputy Chairman, and Alan C. Miller.
Deputy Chairman Shareholders of the
Financial Times (Europe) Ltd. London and
F.T. (Germany Advertising) Ltd. London.
Shareholder of the Jahone methomed two
companies in: The Financial Times Limited.
Number One Southwark Bridge, London.

GERMANY:
Responsible for Advertising Colm A. Kennard Printer: Hörriyet International Ventagge-clistical mbH. Adminal-RusendaliSeries As. 0.3x3 New Inchmal-RusendaliTeb.? Responsible Editor: Richard Lambert, clo The Financial Times Lithited,
Number One Southwark Bridge, London
SEI 9HL.
FRANCE: Pubbalms Director: P. Maravigia, 42 Ruse
Pubbalms Director: P. Maravigia, 42 Ruse

SEI VIL.
FRANCE
Pubbshing Director: P. Maraviglia, 42 Rue
La Boetie, 7:008 PARIS Telephone (01)
5376 524, Fax (01) 5376 3251 Printer:
S.A. Nord Echar: 1522 Rue de Caire,
F-59100 Roubaix Cedex I Editor Richard
Lambert: ISSN 1148-2753. Commission
Partiaire: No 67806D.
SWEDEN'
Reponsible Publisher Hugh Carnegy 468
618 6088. Printer: AB Kvillstickinger
Expresser. PO Box 6007. \$-550 06.
Rothöping.
C. The Financial Times Limited 1996.
Editor: Richard Lambert,
clo The Financial Times Limited P96.
Editor: Richard Lambert,
clo The Financial Times Limited P96.

ter growth was likely to amount to no more than 0.1 or 0.2 per cent. "The second quarter will be much less good." said Mr Olivier Eluère, an economist with Crédit Lyonnais in Paris. He said French households would continue to be "prudent" in their spending

Many economists, nonetheless, revised up their forecasts of GDP growth for 1996 as a whole to a still indifferent 1.4 or 1.5 per cent, from 1.2 or 1.3 per cent previously.

According to Insee, the

national statistics agency, the positive first-quarter result was due in part to the negative effect of December's strikes on fourth-quarter 1995 figures. In addition, the winter cold snap had brought an unexpectedly high 7.8 per cent increase in energy production. And the unusually high number of working days was responsible for "about half a point of

growth". Economists drew encouragement from the strong 3.1 per cent quarter-on-quarter increase in industrial investment, although some expressed doubt that this would con-

But they interpreted the steep reduction in stocks, without which first-quarter growth could have reached a highly impressive 2 per cent, as a negative sign. Ms Patricia Lormeau, a Paris-based economist for Paribas, said it suggested companies did not expect the improvement in demand to

Car sales were particularly strong, with a quarter-on-quarter increase of 19.7 per cent, after a 0.3 per cent decline in the fourth quarter of 1995. First-quarter exports (up 3.3 per cent) rose faster than imports (up 1.8 per cent).

have typified Mr Yeltsin's Unlike Mr Gennady Zyugapolitical career. The former sunk his electoral chances. Communist party hack, who But through a phenomenal Migration conference backs plan for rights of refugees in CIS

An international conference

on forced migration in the Commonwealth of Indepen-dent States ended yesterday with the adoption of a programme to strengthen the rights of millions of refugees and displaced people and to help prevent further mass nents of population. Mrs Sadako Ogata, United Nations High Commissioner for Refugees, said the pro-gramme, though non-binding, would help extend international law to mass migration flows and was a real opportunity to prevent conflicts. More than 9m people in the CIS region have left their

homes since 1989 as a result of resolve conflicts peacefully conflict, ecological disaster, and the "return" to ethnic homelands of groups deported by Stalin or left stranded by the break-up of the Soviet Union in 1991. Some 60m remain outside their ethnic homelands, posing a potential threat of further large-scale

The programme document calls on states to observe international humanitarian and refugee law and allow free choice of residence. CIS gov-ernments have also agreed to grant citizenship to all former Soviet citizens permanently living in their territory, protect minority rights, allow deported peoples to return.

However, non-governmental organisations said the plan was too vague and criticised the lack of a clear follow-up and implementation strategy. Follow-up work will be the responsibility of UNHCR and the International Organisation for Migration, reporting to a steering committee due to meet annually for four years. Mr Arthur Helton of the New York-based Open Society Institute, said the programme reflected "a lack of commit-

and care for the environment

ment and poverty of vision" on the part of western nations. He noted that European govals to widen the definition of a

them to admit more refugees from the world's "hot spots". "Such massive and unman-aged population movements may undermine political and economic transformation in the CIS countries and could have far-reaching implications for international security and stability," the action programme says. More than 80 countries,

including all 12 CIS members. endorsed the 31-page plan, organisers - UNHCR, the IOM and the Organisation for Security and Co-operation in

Albanian parties begin hunger strike

By Marianne Sullivan in Tirana

Albanian opposition parties began a hunger strike yesterday, in protest at last weekend's general elections, alleging ballot-rigging and violence. The hunger strike by depu-ties and candidates of the leading opposition Socialist party and some smaller centrist parties comes amid substantial diplomatic pressure on both the opposition and government to work out a compromise in the dispute over Sunday's elections, in which the ruling Dem- rity and Co-operation in

President Sali Berisha claimed to have won 95 seats or 67.8 per cent of the vote.

Following last Tuesday's clash between police and opposition protesters in which several opposition leaders were beaten and detained, the Socialist party leader, Mr Servet Pellumbi, vowed the parties' demonstrations would continue around the country until new elections were held. Both the European Union and the Organisation for Secu-

ocratic party led by Albanian Europe, which helped monitor Mr Berisha and his government to organise a partial rerun of the elections. But on Thursday Mr Berisha vowed to press ahead with the second round of voting scheduled for tomorrow, and urged the opposition parties to participate. The Socialists and other

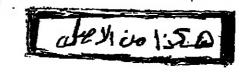
> to boycott the second round and said they would not take up the five seats they won in the first round. "People need to begin to

start making some compromises," one western diplomat said. "If the opposition could put together some decent pro-posal, I think Europe and the others would push for it."

Albania's Central Electoral

Commission has acknowledged that irregularities took place in three constituencies, but opposition leaders said they were opposition parties have decided prepared to accept nothing short of new elections.

"It wasn't a partial manipu-lation," said Mr Namik Dokle, Socialist party leader. "Viola-



PLO leader Arafat branded a 'murderer' and 'war criminal'

Likud's top officials bare their teeth

By Julian Ozanne in Jerusalem

Mr Ariel Sharon, a senior leader of Israel's rightwing Likud party, yesterday gave a chilling first glimpse of how a future government under Mr Benjamin Netanyahu, the party's leader, would deal with

In a long interview on Israel Radio, Mr Sharon, tipped as the country's next finance minister, said under no circumstances would he meet Palestinian president Yassir Arafat, whom he described as a "murderer" and "war crimi-

complete its long-delayed military withdrawal from the Israeli-occupied West Bank town of Hebron, a flash-point of Arab-Jewish violence. Under the "Oslo 2" peace accord, co-signed by the US, Israel committed itself to withdrawing from Hebron three months after Palestinian elections held last January.

Mr Sharon's comments came hours before Mr Netanyahu emerged as Israel's next prime minister after a final tally of outstanding ballots. Earlier, Mr Uzi Landau, a Likud member of parliament, also said a Netanyahu government would not withdraw from Hebron, where 415 Jewish settlers live in an Arab town of

The first policy statements by senior Likud officials after the election provoked a furious response from PLO officials and advisers.

Mr Ahmed Tibi, adviser to Mr Arafat, said Mr Sharon, the former defence minister, who presided over Israel's disastrous 1982 invasion of Lebanon, was the real "child murderer" and warned that if Mr Netanyahu refused to withdraw from Hebron it would mark a violation of the peace agreements and open the way to confronta-

tinian architect of the peace accords with Israel, said: "It is

Likud election platform and if it was put into practice it would amount to a "coup d'état against peace", which would send the region back to "a state of tension and vio-

lence, maybe wars". Political analysts said the sharp exchanges were reminis-cent of the insult-trading during decades of Israeli-Palestinian conflict.

Mr Netanyahu has indicated he alone will set the policies of the next government. But Mr Sharon, who received the second highest number of votes in Likud party primaries in March, speaks for a wide section of the party.

He dropped his candidacy for prime minister and was critical in brokering an agreement between fractious rightwing groups to join a united front behind Mr Netanyahu's candidacy.

Arafat, the former general who was held indirectly responsible by an Israeli inquiry for the slaughter of hundreds of Palesmilitiamen at Beirut camps in 1983 said: "Arafat is a murderer that murdered intentionally, with premeditation, children, babies, women and elderly people. The most brutal acts of massacre that no nation in the world would forgive. Arafat, according to every cri-teria, is a war criminal . . I will not shake the hand of this

Mr Sharon also said Mr Arafat indirectly supported Palesout by extremist Islamic funda-

intentions are, what he used to do, how he acted. And in my opinion we absolutely must prepare for when he will continue to stand behind attacks."

On withdrawal from Hebron. Mr Sharon said Israel would maintain absolute control over the parts of the city settled by Jews. "Here, under discussion is a small part of the city, but a be surrounded by a team hos-tile to the peace process." The PLO, he said, rejected the will be in the hands of Israel."

Japanese golf courses land in the rough

the Tsukuba Tokyu Golf incurred by the country's trou-Club blends in neatly with the countless rice paddles and fruit orchards which dot the quiet university town where it is located at the foot of Mount Tsukuha, just north of Tokyo.

But the peaceful surroundclub has faced in recent years. More than a fifth of its corporate members have left as recession has taken its toll on costly corporate entertainment and the expensive personal lifestyles that were so popular in Japan during the years of the "economic bubble" What is worse, Tsukuba

Tokyu has had to pay out a total of nearly Y2.7bn (\$25.7im) in deposit refunds to its former members and could be faced with demands for another Y2.1bn in refunds over the next five years. The club paid out Y800m last year alone and expects to shell out a similar amount this year.

But Tsukuba Tokyu is not alone. A large number of such clubs face membership cancellations from increasingly hard-up members. The total amount of refunds which will eventually come due will exceed Y9,494bn, according to a ministry of international trade and industry survey.

That is more than the estimated Y7,000bn in bad debts

or jusen. While it is unlikely the entire amount will have to be refunded, as many golfers will want to keep their memberships, Mr Seijiro Takayama. a lawyer who has worked with many golf clubs, estimates that between the years 2000 and ings belie the unhappy fate the 2003 refunds are likely to exceed Y1,000bn a year.

The problem stems from the "bubble" years, when large numbers of companies went into golf club development. According to the Miti report, 80-100 clubs were opened between 1989 and 1991. More

than 70 per cent of the 1,954 golf clubs which responded to the Miti survey have memberships, and of these, 80 per cent could face demands for refunds from their members.

In the late 1980s, building a golf club seemed a solid business prospect, given Japan's golf-loving population. Many developers funded their club developments by selling memberships at astronomical prices, commonly as high as Y50m (\$464,000).

To encourage prospective members, a large part of the membership fee was designated a deposit which could be

reclaimed after, typically, 5-15 years. In some cases, the deposit made up about 90 per cent of the membership fee. For golf club developers, perticularly newcomers, the system allowed them to collect the

huge sums needed to develop courses in Japan, where land is prohibitively expensive.
Whereas in the US it takes about Y500m to build a golf course, according to Mr Takayama, this figure rises to at least Y10bn in Japan.

In the past, members seldom asked for their deposit back. While the Japanese economy

berships could usually be sold on at significant profits. But now expensive memberships are no longer a corporate

necessity and the number of

members has plunged. Many people bought memberships as an investment; in the dizzy "bubble" years these were even accepted by banks as a form of collateral.

But now, with Japan muddling through an uncertain recovery and membership prices unlikely to rise significantly in the near term, these speculators are demanding their deposits back.

Takayama believes that of the clubs which sprang up during the "bubble" years, only a handful will be able to pay back members' deposits. Most clubs have no cash

to be able to repay in full. Mr

What is more, about a third of developers are believed to have used membership funds to speculate on the stock market and elsewhere.

Several clubs have already been forced to file for bankruptcy and there is concern that more will collapse as deposit refunds come due.

Some clubs have asked mem bers to accept repayment in instalments over several years, while others have split memsell part of them on the market - albeit at a significantly lower level than the original price and still play at the club. Most observers expect a bit

ter, drawn-out battle between clubs and their members. Mr Takayama suggests the government could use part of its funds allocated to deal with the ageing of society to buy up troubled golf clubs and make them municipal clubs open to

the public. But given the distaste shown for government bail-outs, even the thought of playing golf on the cheap may not convince

Michiyo Nakamoto

WOMEN JOB SEEKERS BOOST UNEMPLOYMENT

An unexpected rise in Japan's unemployment rate in April, to a record 3.4 per cent, is likely to reinforce the central bank's commitment to keeping interest rates low, writes William Dawkins

yesterday said the job situation was still "severe," but attributed the rise, from 3.1 per cent in March, to a sudden growth in the number of women seeking employment in expectation of economic recovery. Private sector economists were not dis-turbed and pointed out that employment tended to lag general economic growth, which is gathering pace according to housing and construction data released

Guarantee on

Windows 95

falling fractionally in the following two months. The overall jobless total rose by 9.8 per cent, or 210,000 people, to 2.35m in the year to April, according to the govern-ment's management and co-ordination agency. That was twice the annual rate of

increase in March.
Within this, the number of women out of work rose by 60,000 from March to April, to a total of \$20,000. The female jobless rate rose by one percentage point over the same period to a record 6.1 per

But the young of both sexes remained the hardest hit, with unemployment among 15-24 year olds rising 0.6 percentints over the year, to 7.2 per cent. While the labour market remained

weak in April, there were signs of recovery. There were just 67 jobs available per 100 applicants, the same as the previous three months, but growth in new job offers accelerated sharply, from 2.6 per cent in the year to March to 12.6 per cent

Separately, the construction ministry said housing starts rose by 12.3 per cent in the year to April, the second consecutive monthly rise and the fastest growth rate in 22 months.

As economic activity picks up, deflation, a threat to the economic recovery last year, continues to recede, on the evidence of consumer price data published yesterday. Tokyo consumer prices - the earliest available - rose 0.2 per cent in May from the same month last year.

Windows 95

ISE 195 **Money Back**

Leary's Internet home page announces his death Timothy Leary, 1960s messiah of LSD, dies

By Christopher Parket in Los Angeles

 $\pi^{3}\mathcal{X}$

Timothy Leary, the 1960s guru whose formula for living "turn on, tune in, drop out" inspired despair and enlightenment in unequal measures, signed off yesterday.

Timothy has passed..." his Internet home page announced in turquoise script on a black Internet users; many of

whom had been tapping in to his site each day to eavesdrop on his debates with death, yesterday discovered little enlightenment beyond a picture of the late Leary, 75, gaunt and grizzled, puffing unrepentant on a cigarette of uncertain prove-

"I am developing methods and technologies to delay the ultimate onset of pain, coma, helplessness and indignity which await," he wrote in his last available personal commentary on his condition, dated May 16. "High-tech designer dying is occupying most of my time."

Although confined to a wheelchair by his cancer, and rendered "mellow and high" by a daily cocktail of prescription drugs and illegal substances. Leary reported himself in good spirits. "Probable cause: I treasure the moments of mobility, dexterity, friendship and mental clarity," he wrote.

His diet of "neuro-active drugs" may also have played a role, According to his final summary, his average daily intaka of legal substances included 30 cigarettes, half a cup of coffee, one glass of white wine, half a glass of tequila and prescription pain-

This was topped off with

marijuana in the form of one Leary Biscuit (recipe censored) and one bong (pipe) hit, half a line of cocaine, 16 blasts of nitrous oxide and 0.15cc of psychedelic ketamine.

A former Harvard psycho-

logy professor, fired in the early 1960s for testing LSD on students, Leary spent much of his adult life tripping and brag-ging about his tolerance for

Starting out as the "Messiah of LSD", he evolved - with interludes as jailbird, fugitive and kidnap victim - to become chief dope dealer and darling to many American artistes and society folk.

His coterie included drugfazed pop stars, Hollywood hangers on and writers such as Jack (On the Road) Kerouac, Allen (Howl) Ginsberg, William (Naked Lanch) Burroughs, and Aldous Huxley. He also had

five wives. Leary died in his sleep in his brave new world - a hilltop villa in California's Beverly Hills, home to the fabulously rich - having failed to fulfil

two of his last ambitions. In his final weeks he had discussed committing suicide in cyberspace, while logged on to the Internet.

He also contemplated having his head frozen after death, but reportedly dismissed the notion when he realised that, if revived, he would most likely spend eternity as the prisoner of scientists armed with clip-

Apart from his memory and his "turn on" mantra, Leary leaves behind a video film of his death, taken at his behest. Another final request, that his ashes be launched into space, is expected to be fulfilled in the

Over 20 million users have switched to Microsoft® Windows® 95 Of those within organisations, 98%' say they're satisfied. It won the prestigious PC Magazine's Technical Innovation 'Product of the year.'

And now, here's an offer we think you can easily refuse. If you're not completely satisfied with Windows 95, return it within 30 days and we'll give you your money back* It's the first such offer we've made in the UK'

But then, with the reviews we've been getting in the computer press and the things we've been hearing from our customers, we're sure you won't need a money back guarantee at all.

We just thought you'd like to know it's there. For more information call 0345 00 2000; extension 156.

WHERE DO YOU WANT TO GO TODAY!"

are those made between 15.4.96 and 30.6.96 and dated knoice must be supplied as proof of purchase. The money back guarantee is veiled only for 30 days after purchase (confirmed by date of invoice). Only the amount paid (including VAT) to led from your computer and the box with all of its contents must be returned to Microsoft along with the dated invoice. Please see reverse of product our for system P&P of returning product will not be refunded. The orodust must be dele tied to one product per person. Year statutory rights and your rights under the terms of the Microsoft Eng User License Agreement are not effected. TSource: Microsoft Corporation Commis

The EU crisis. Government's drive against 'mad cow' curbs to include blocking of measures which it supports

Ministers set to reject easing of ban

By Caroline Southey

Farm ministers of the European Union are likely on Monday to reject the European Commission's proposal for early removal of the ban on exports of beef by products from the UK. Such a move would force the Commission to impose the measure unilater-

Seven countries voted against the proposal at a meeting of EU veterinarians 10 days ago. EU diplomats said there were no indications that the against easing the ban - Gar-many, Austria, Spain, Portu-gal, the Netherlands, Luxembourg and Beigium - would change their minds on Monday and vote to ease the embargo.

"Many countries have not taken their final decisions yet, but there appear to be no indi cations that anybody will change their positions," a British official said. If the proposal is voted down by farm ministers early next

week, responsibility for implementing it will fall to the Com mission. "Obviously we would prefer the council to vote the

don't we will fulfil our responsibility," a Commission official said. Separately, there was growing evidence that negotiations were well under way on a framework agreement under which the broader ban would be lifted.

The two conditions laid

down by Mr John Major, the British prime minister, as necessary precursors to Britain ending its policy of non co-operation are a lifting of the by-products ban and a framework agreement on ending the

British officials said Mr Mal-

eign secretary, was likely to present the outlines of a plan targeting areas where the ban could next be lifted to Mr Jacques Santer, president of the European Commission, when they meet in Brussels on Tues-

Details of the framework agreement are being debated by British and Commission officials. Britain has proposed that one priority in the next phase of easing the embargo should be to give Britain the go-shead to export to non-EU countries which are banned from re-exporting beef and beef

allow Britain to export meat from calves born after a particular date and beef from grass fed herds. This last one would be more difficult to negotiate as we would have to agree the criteria of how to define these herds and then a programme of policing," a British official

KU officials said member states appeared receptive to the idea of a framework under which a "causal relationship" was established between certain products and measures Britain had to take to ensure the safety of the products.



Kenneth Clarke, chancellor of the exchequer, seen here admiring British beef in a supermarket, yesterday suported criticism by European Commission president Jacques Santer of UK press coverage of the beef crisis. "Quite a lot of

understood in different member states and agreeing that the Commission should continue to produce reports on the EU's demographic make-up

the press is owned and edited

by anti-European people," said

Mr Clarke

Britain thinks these have been useful in the past and that it would be useful to continue to produce them. But the prime minister's statement will apply and we will block it," said one UK official.

Baby milk companies welcome

all-clear

Manufacturers of baby milk yesterday expressed delight that the European Commission had ended a week of frenzied speculation over the quality of their products by stating that they posed no risk to health Having studied test results by the UK agriculture ministry

on nine brands of formula milk, Commission researchers said there was "no reason" to anticipate any risk to babies consuming the products. The report has been passed to the 15 European Union governments, but none has so far expressed any concern over the issue, Commission officials

Earlier this week, UK ministers came under pressure to reveal the names of the brands after they were all said to con-tain phthalates, a series of chemicals that can reduce fertility. The Commission then requested to see the report under an EU "rapid exchange of information" system for possible health threats

Several of the UK's leading behy milk manufacturers said they were delighted that concern over the issue appeared now to have been finally put to rest by the Commission's state-

"It is reassuring to hear someone else confirming what we have thought all along, that there is nothing wrong with any of these brands," said Mrs Helen Messenger, head of corporate affairs at Milupa, one of the four main manufacturers of formula milk.

Aides to Mr John Major, the prime minister, yesterday quashed speculation that the Commission's verdict could be seen as a conciliatory gesture in the bitter struggle between the EU and London over British beef. "This was a perfectly routine decision," said an official. "These situations are looked at all the time and we were always confident that there was never a problem

UK NEWS DIGEST

Doubts on Facia future deepen

Doubts about the future of Facia Group, the UK's second largest privately owned retailing chain, increased last night after Sears, Britain's largest specialist retailer, moved to have Facia's shoe companies put into administration. Sears said that Facia, chaired by Mr. Stephen Hinchliffe, had failed to convince it that it could "adequately refinance and discharge its outstanding and ongoing debts to Sears". The company said that it expected a ruling on its petition next week. Sears also amnounced that it expects to make a provision of

£25m (\$38m), on top of an earlier provision of £12m, to cover the cost of properties it had planned to sell to Facia and others, rent due from Facia, and stock it has supplied to Facia. Facia's 850 speciality outlets include Freeman Hardy & Willis, Trueform and Contessa which were sold to it by Sears. Last night Facia refused to comment on the move by Sears and also refused to state what percentage of its overall business the

Sears said that its move followed the announcement by the Department of Trade and Industry that it would be com ing directors' disqualification proceedings against Mr Hinch-liffe and Mr Christopher Harrison, another Facia director, in connection with the collapse of a company they had controlled shortly before its failure.

Separately, it emerged yesterday that the chief executive officer of the small US company attempting to take over Facial is a bankrupt. Mr Bill Grosvenor, chief executive officer of Texas American Group, said he had been declared bankrupt in the UK in October 1994. TAG is on the bulletin board of the Nasdag exchange, but Mr Grosvenor said that legal advisers had informed him that being bankrupt "does not stop me

being an officer of an American company". On Wednesday TAG said it had "entered into an agreemen to acquire the assets and liabilities of Facia". However Facia has denied this, and the company reiterated yesterday that it "has been talking to a number of people". TAG will be filing accounts in the US "within days" he said, although Nasdaq does not require it.

William Lewis, London

Spending recovery accelerates

Net landing, £tm (seesonelly adjusted)

its biggest rise for 71/2 years last month, providing a strong signal that the recovery in consumer spending is gathering pace. After taking account of seasonal move a net £1.01bn (\$1.53bn) from banks and other lenders in April, compared with £722m in March, the Bank of England said yesterday. The increase, which far exceeded City of London expectations

Consumer credit recorded

Source Detectment was the highest rise since current official records began in April 1993. The Bank said other unofficial estimates indicated it was the largest increase since autumn 1988.

The figures suggest consumers may be borrowing increas ingly more to spend on retail goods and on services. But some in the City cautioned that the pick-up in borrowing may be due to attractive credit packages and may not necessarily translate into an increase in consumer spending. The figures will nevertheless be seized upon by Mr Kenneth Clarke, the chancellor of the exchequer, as support for his view that rapid consumer spending growth will be the linchpin of the broader economic expansion this year. Graham Bowley, Economics Staff

Lex. Page 24

Election fever discouraged

speculation over an early general election by insisting that economic recovery would eventually translate into political support for the governing Conservative party. Following the publication of strong consumer credit figures, Mr Clarke claimed that consumer confidence had recovered to the level at the last general election and predicted that the trend would

"The date of the general election is up to the prime minister; but the longer he delays it the better the economy will be," he said. Mr Clarke's comments will discourage speculation that the government might be tempted to call an early election on

the back of its campaign of non co-operation with the Euro-pean Union over the beef crisis.

Recent opinion polls suggest that this had done nothing to improve the Conservative party's electoral chances. Strats-gists in the party believe its best chance is to hold on and hope that the "feelgood factor" in the population revives. Mr Clarke yesterday predicted a steady improvement in the economy over the next 12 months and said his task was to convince voters it was sustainable. "The more I can reassure people that the present recovery is going to strengthen and is healthy and sustainable, the more people will have their trust restored in the direction we are going."

David Wighton, Westminster

1.38美元元 49

A Company

The state of the s

4

IT investments questioned

Only a quarter of younger managers believe their companies get value for money from their investment in information technology, according to a survey by Mori, the research company. The research, based on interviews with IT managers, chairmen and managing directors, found significant differ-ences in attitudes towards IT between different age-groups of

Managers who had reached senior positions by the age of 44

Non co-operation to be stepped up

Britain will step up its policy of non co-operation in the European Union next week, blocking decisions at three ministerial meetings including one proposal it has strongly backed in the past.
The earliest casualties of

Britain's policy to block all decisions requiring unanimity in the Council of Ministers will be a meeting of economic and finance ministers and, separately, social affairs ministers on Monday, Policies likely to fall include measures to combat fraud in the EU and a proposal to make 1997 the vear against racism".

More EU policies will be blocked on Tuesday when justice and home affairs ministers meet where all decisions require unanimity. The biggest decision to fall will be on Europol, the proposed EU-wide police force.

British officials said there were two, possibly three, decisions at the economic and finance ministers meeting which it would block. Mr Kenneth Clarke, Britain's chancellor of the exchequer, is expected to refuse to endorse measures aimed at stepping up the EU's campaign against fraud, even though Britain has campaigned for tougher action to stamp out misuse of EU

The proposal would have given the EU greater powers to

German states firm on curbs

The Bundesrat, the second already operated hans on the chamber of the German parliaimport of British beef, a meament representing the country's 16 states, is expected to refuse to ratify a lifting of the ban on British beef derivatives even if the measure is forced through by the European Com-mission, Michael Lindemann

writes in Bonn. Opposition among the states. or länder, is an important or lander, is an any obstacle for the federal government, making it impossible for Bona to back any propos als to lift the ban, government

officials said yesterday. In addition, Bonn still believes there is no conclusive scientific evidence suggesting that the ban on gelatine, tallow and semen should end.

Four of the states, including Bavaria and North Rhine-Westphalia, the two largest,

orchestrate inspections where EU funds were spent, including spot-checks on companies or organisations which receive EU money.

"In principle it would allow EU officials to look at any area of Community spending where there is a suspicion that EU funds have been misused," a British official said, adding that Britain had been "among supporters of the measures Mr Clarke is also expected to

block a proposal that the

WEEKEND BUSINESS

LESLEY SUMMER 0171 873 3308

BUSBLESS OPPORTUNITIES

Have you ever thought about your own

Personal Coach

who guides you through top management difficulties, gives advice and offers personal support? Here is your opportunit

Call 0181 - 675 34 22 for further details

SAVE ON INT'L

PHONE CALLS!

Ask about our new lower rates

worldwide. Now teaturing

Faxaway and Int'l Internet

in the UK: Call: 0800-98-4018

n the US: Call: 1-208-284-8600

High Front Jack Com

FINALLY: REAL-TIME DATA YOU

CAN APPORES SUCKS,
CURRENCES, BONDS,
DERIVATIVES AND NEWS
Terfore provides global real-time financial
deat deact to your PC at the lowest possible
cost. Our Windows platform findfilles
augminus interfacing with other Windows

kaliback

CAN AFFORD STOCKS.

Call Tenfore on 0171 405 4541

MOVE TO SLAR

UNIVERSAL MERM ADD-INS

*Cheh securities, collans, fabres and eveger MERM provides advanced ensigical bodies, linearist calculators, source code, consultancy and risk management terling.

ord Court, Throgmorton Street

Mandoch Barakat Risk Management

REAL-TIME & END-OF-DAY

TECHNICAL ANALYSIS SOFTWARE from INDEXIA Trace Powerful Robinson Analysis and

Fex: 0000-06-4015

Fex: 1-206-282-6868

sure that is illegal under EU law and for which Germany was going to be sued at the European Court of Justice in Luxembourg. Several states likely to insist that the ban remains have influential farm bbies hit badly by a fall in beef sales

In the first week in March after the UK admission of a possible link between "mad cow disease" and a fatal human brain condition, beef sales in Germany fell by 70 per cent compared with a 37 per cent fall in UK beef sales. The matter is complicated by the fact that the lander are angry at the way Mr Horst

Seehofer, the health minister,

has handled the negotiations

about BSE.

European Investment Bank lend Asian and Latin American countries Ecu 250m (\$310m). However, EU officials said the proposal was still being challenged by other member states, particularly Spain which considered the sum to small and was pressing for an envelope of Ecu 410m.

EU officials said a decision on VAT on cut flowers, the centre of a dispute between Belgium and the Netherlands and cited by British officials as

But a range of su

business which will not be affected by Britain's policy, including preparations for the heads of state summin. Florence on June 21 and 22. The ministers will be given a

report from the monetary committee on the relationship between the "ins and outs" monetary union and the Germany's proposal for a stability pact aimed at ensuring that pressure is kept up on countries to maintain monetary policy once they have entered Emu.

Although firm decisions on monetary union are not expected at the summit, the heads of state are due to consider the committee's interim report before passing it back to the ministers At the social affairs meeting,

British officials said four

decisions would be blocked. Mr Bric Forth, minister for education and training, would prevent agreement on the EU highlighting problems of racism by designating 1997 as a "year against racism." British officials said the UK did not oppose the idea in principle, but would vote against it as part of the non co-operation

Other decisions likely to fall covered proposals on encouraging the participation women in top jobs, simplifying training certificates so that they can be

Sinn Féin steals the election show

By John Kempfner and John

his party's traditional support-

Social Democratic & Labour Party 21,4 21 15.5 UK Unioniets Uleter Democratic Party

support the dove against the hawk" within the republican movement. "It's a one-off gift which I hope they use wisely," Mr McGrady said. However, others in the SDLP

were less generous in explain-ing Sinn Féin's rise. Mr Joe Hendron, an SDLP MP who was resoundingly beaten in west Belfast and who may struggle to hold the seat in the next general election against Mr Adams, said there had been massive vote-stealing" by

campaign described Sinn Féin as a "fascist sectarian organisation", said he had lodged formal complaint with the lent use of National Health Service cards as proof of idengovernment, the elections proved a mixed blessing. For all the predictions of apathy, and only slightly down on general election norms. The prov-

However, it ended in ninth place ensuring seats at the negotiations. There was little evidence of

the two communities breaking out of their tribal allegiances The pro-British unionists, however, suffered considerably from what they called the "shredding" of their vote between several anti-nationalist parties. The two fringe anti-national-

ist "loyalist" parties, fronted by former paramilitaries who now advocate moderation and conciliation, did not achieve their goals of being directly elected into the forum. However, under the complicated system introduced by the government, both the Progressive Unionists and Ulster Democratic Party will each receive two of the 20 seats reserved for the top 10 parties overall. Mr David Ervine of the PUP said: We never promised we could break the mould all in one fell swoop, but we're the way to

The forum will produce a patchwork of parties, broaden-ing the Northern Ireland politicel spectrum for the first time. place. The sight of many for-mer enemies in Belfast's marbled city hall in close proximity as they waited politely to take their turns under the tele-vision spotlight was a novelty

were far more critical of their company's investment in IT than their older counterparts. "In the future, we may expect IT to be driven more from the top, rather than being pushed forward by IT managers against top-level inertia," the study says. The study was commissioned by Management Today and Computer Associates, a software company.

Vanessa Houlder, Technology Staff

Pagoda-style complex is testimony to Asian success

At first sight, the pagoda-style office complex standing close to the Spa-ghetti Junction motorway inter-change in Birmingham could be mistaken for the headquarters of the latest inward investor from the Pacific Rim. The newly-built mixture of Thai and Chinese architecture hardly blends with its bleak industrial surroundings in the second largest city in England.

But the 1ha complex - soon to

house a business community of Chinese hankers, lawyers and accountants - is a sign of the rapid growth of thousands of small UK companies. The complex is the latest venture of Mr Wing Yip, whose food distribution business - Wing Yip - has more than doubled from sales of about 225m 10 years ago to a turnover of more than £60m (\$91.2m) last year. With four warehouses across the country, each supplying up to 2,000 Chinese restau-rants, Mr Yip's food centres highlight the growing taste for ethnic food and the increasing financial importance of Britain's Asian communities.

Centred on the flourishing ethnic proved an embarrassment to some food industry, the UK's Asian enter-prises have moved within a genera-tion from the back streets of inner city Birmingham to the mainstream of international trade.

According to Sharwood's, the market leader in ethnic foodstuffs, the growth in sales for the whole UK mar-ket has been in double digits since the mid 1980s. The market in ethnic foods for home cooking - including Indian, Chinese and Thai - is worth £129m a year in the UK.

The growing size of the market was highlighted this year when Patak Spices, a manufacturer of Indian food hased in north-west England, linked with Hormel Foods of the US to distribute its products in north America. In the Birmingham area alone, two companies - East End Foods and KTC Edibles - specialising in Indian food processing and distribution account for estimated annual sales of up to £100m. KTC employs about 150 people

and produces 1,200 tonnes of oils and

fat products. It delivers to more than

But the success of the sector has

2,000 points across the UK.

والراب والمراب والمراب والمنافرة والمراب والمراب والمنافرة والمراب والمراب والمراب والمراب والمراب والمراب والمراب

communities, which have preferred to keep a low profile.

Mr Dipak Shelat, manager of the Institute of Asian Businesses in Birmingham's chamber of commerce.

People would ask if

listen to the news without hearing about the Pacific Rim'

ties. Often people do not want them to take a look into their lives when they For Mr Yip, the public attention is an ironic reversal of the attitudes grant to Britain from Hong Kong in the 1950s.

After starting as a waiter, he struggled to gain a bank loan to support his first restaurants in the eastern England city of Ipswich. "The bank manager said there had been an Italian and a French restaurant which had both come and gone. He asked why my restaurant would be different. I said Chinese restaurants had flourished in the US for 100 years, but he had never been to the US and did not even understand that

Back then people would ask if we had telephones and buses at home. Today you cannot listen to the news without hearing about the Pacific Rim."

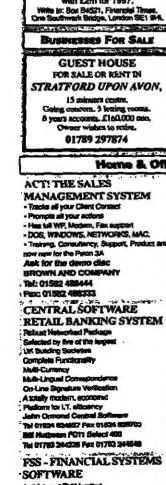
Finance remains a source of resentment among Asian businessmen, who still believe that they suffer harsher treatment from banks compared with other small entrepreneurs. Mr Omkar Parmar, who founded the Institute of Asian Businesses in Birmingham, said: "There is still prejudice in banks. People think they do not get the same deal, and for the Afro-Carib-

But the growth of the ethnic food industry - as well as the desire to trade with Asian companies - seems to have altered the establishment's view of the sector. Today the West Midlands Development Agency tries to woo inward investors by highlighting the number of Chinese speaking professionals in the region. Councils are keen to support ethnic businessmen who can provide new jobs in inner city areas.

In particular, the region hopes its links with the Far East will attract Hong Kong businessmen before next year, when the colony reverts to Chinese control.

Food distributors such as Mr Yip are turning their attention to exports. supplying western foods such as fro-

sen meats to the Far East. "Chinese students now come to Birmingham to study how to present their own food in a western way," he said. "Their living standards are improving and they are seeking different food. The east is getting more western and the west is getting more



FOR SALE OR RENT IN STRATFORD UPON AVON. 15 minutes centre. Going concern. 5 letting mome. 6 years accounts. £160,000 osc. wishes to retire. 01789 297874 Home & Office Software ACT: THE SALES MANAGEMENT SYSTEM Tracks of your Chant Contact Promote all your actions - Has full WP, Modern, Fax support - DOS, WINDOWS, NETWORKS, MAC. Ask for the demo disc SOFT WASC. INVESTMENT Analysis systems to thouse from.

Field-time updating from Po Merkey Eye.
Referent, Pagers & Satellier Feeds.
End-of-day download OCHAY data for all ILK Equilies in 30 seconds - 4nly D1.20 per mooth.

REDEXIA Research, 121 High Street, Berkbarnpated HP4 20.1.
Tel. 01442 878015 Fix. 01442 878034 CENTRAL SOFTWARE RETAIL BANKING SYSTEM Pathuat Heterorised Peckage Selected by thre of the largest

PARTNERSHIP

Branded knitwear company with factory base, in Middlesex, offers partiretable to expand corting development and sales on export market for the brand.

Present T/O £1.2m

If you are a serious meator in the London equity market and require broad coverage and favorance in the software system is a mast. The program can help you select the right investments and can help protect against 1 peace. With only 22000 invested you need to show just 1% stoprovement to offset the arrural cost. Don't delay, your investments freed the SART vestment.

3 groupy Software 01822 424932 where Verification Tel 07824 624957 Fax 01624 626703 Bill Nutbeen FC17 Select 400 Tel 01763 244225 Fex 01763 244540

FSS - FINANCIAL SYSTEMS Activision of FNX Limited

Conversal Spreadsheet Add-Ins
1955 others advanced frenchel calculators and
analytical toolkits in the form of Exotics.
Sweps, Options, Yield and Zimo curve Add-Ins ming Excel (WindowsNT/(5)) and Loses 1-2 3. Source code available. European and ... American style options and warrants on a bonds, commodises, currentee, equipes and ; Tel. +44 60 171-400 6033

Per: 44 171458 2006 E-mell: mitrm@mitrm.com Ved our web ets: www.mitrm.com and download a FREE 30 DAY TRIAL LUCY BATIZOVSKY

Tel: +44 171-628 2007

well than some had predicted. Northern Ireland results Murray Brown in Belfast

Once again, despite being only the fourth largest party in Northern Ireland, Sinn Féin stole the show. As the final results were announced last night in elections that will pave the way for all-party talks, the political wing of the Irish Republican Army was given a reinforced mandate to present the republican case in negotiations that could deter-

mine the region's future. For Mr Gerry Adams, the party's president, the outcome was a personal triumph. Whether, however, the outcome will lead to an IRA ceasefire remains to be seen. Two alternative conclusions could be drawn from Sinn Fein's strong showing: that it will strengthen Mr Adams's hand in demonstrating to his people that the political process can still reap dividends, or that it could be seen as vindicating the hardline stance that led to

a resumption of violence. Some in the moderate Social Democratic and Labour party, whose dominance of the nationalist vote was challenged as never before, offered a positive interpretation. Mr Eddie McGrady, SDLP MP for South Down, where Sinn Féin increased its vote by 9 per cent, suggested that some of

ers had changed allegiance to

Mr Hendron, who during the chief electoral officer over what he said was the fraudu-

turnout was surprisingly good. ince's 1.1m voters did not seem deterred by the failure to find a venue for the 110-seat forum and confusion about its pur-On the other hand, UK ministers will come under intense

of a ceasefire announcement.

pressure over the next week as the June 10 date for the start of the talks nears to allow Sinn Fein into the talks regardless On the face of it, the returns were a rebuff to the forces of moderation. The Alliance, the only significant non-sectarian

party, saw its share of the vote drop slightly. The Women's Coalition, a cross-community

Service cards as proof of iden-tity by voters. For the British people" of the 1970s, did less

said: "There is a natural reticence among Asian businessmen. You do we had telephones and buses at home; today you cannot

not want your competitors to know that you are doing well. And then there is the element of the authorihave not done so in the past."

of-contage t

Color of Colors

1			4	
- 1	88	20		
	ь.	24		
			6	

FINANCIAL TIMES

Dear Reader,

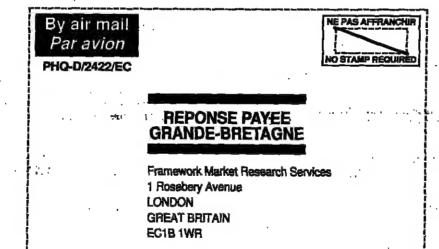
Getting the FT to you at the right time each day is as important to us as providing you with the highest quality business news and comment. It is therefore important to know if we are doing this and where there is room for improvement.

Whether you are a regular or an occasional reader of the Saturday Financial Times, we would be grateful if you fill out this questionnaire and mail it to the FREEPOST address overleaf.

The results will be used by our editorial and marketing departments to improve the service we offer. We do NOT need to know your name or address and therefore the information received will not be used for any promotional reasons either by the Financial Times or any other company. It will be treated in the strictest confidence by FRAMEWORK which is an independent research company. I would be grateful if you could send the questionnaire to Framework by 14th June.
Your co-operation is very much appreciated. Please remember no stamp is needed.

Ì	Yours sincerely,	ember no stamp is needed.	10
			1. 3
	(1-A/11-12)		. 6
	Yeth Hyllend		
1			
ļ	PETER HIGHLAND		
	RESEARCH DIRECTOR		
	PART I - ABOU	T THE FT	
1	How often do you normally read or look at		
••	a. The Saturday Financial Times? (both section	l and ii)	
	b. Monday-Friday issues of the Financial Times?		
		a. Saturday	n. Monday-Friday
		Financial Times	Financial Times
	Always/almost always		🗅
- (Quite often	D	🗅
	Only occasionally This is the first time of reading the Saturday FT		🖸
	Never		0
2.,	On what day(s) of the week do you		
	a. normally receive the Saturday FT?		
	b. normally read the Saturday FT?		
		a. Bossiya Caturday	b. Bood Saturday
		Receive Saturday Financial Times	Read Saturday Financial Times
	Saturday	П	П
	Sunday		
	Monday		
	Tuesday or later Don't normally read Saturday FT		□ 1 m/3 7 1311
-	(you may tick more than one day)	hammidamanappinigtagi .pp.pp.php. p	
	, , , , , , , , , , , , , , , , , , , ,		
3.	Where do you normally read the Saturday Finance	rial Times?	
7.	At home		
	At work		
	When travelling		
	Don't normally read Saturday FT(tick all that apply)	Andrews, U	
	(tick all triat appy)		
	How do you normally obtain copies of the Sature	lav Einancial Times?	
١.	Subscription to my home		
	Subscription to my office		
	Delivered by newsagent		
	Bought from news-standPersonal office copy		
	Circulated office copy		
	Friends' copy		
	Given to me by airline		
	Given to me by car hire company		
	Other (please state) 🗖	
	(tick more than one if appropriate)		
	How many other people normally read your copy a at home?	or the Saturday Financia	i indes?
•	a. at nome? b. at work?		
	4 4	a. At Home	b. At Work
	1 other		
	9 E other		🚨
			٠,,,, (ـــ ا
	Don't know		u
) .	The International edition of the Saturday Financi	al Times regularly contain	s two sections
	Section I News Section II Leisure interests and Weekend Invest		
	Section II Leisure interests and Weekend IIVes		
	a. How often do you read each section?	•	
	do voli lietistiv (E20 liisti	a reading?	
19	c. Which section do you tend to spend more time	Section 1	Section II
			('Weekend FT')
	a. When I read the Saturday Financial Times		
•	I read this section	Q	0
4.0		and the same of th	
	never normally		🛂
3.	h I read this section first	0	🖸
	c. I spend longer reading this section		🖸
	W. I MANUFACTOR INCOME. T. T. T. V		

Front page news European news Other international ne UK news Editorial comment Editorial page feature International compan Letters to the Editor UK companies Commodities & Agric Currencies Managed fund prices World stock markets London Stock Exchar London Share Prices Lex column Weather guide Section II ('Weekend FT') Front page feature Joe Rogaly Food & Drink Fashion Property Book Reviews Arts Travel Sports International Arts Guid Chess Bridge Crossword James Morgan	ies & finance				
European news Other international ne UK news Editorial comment Editorial page feature International compan Letters to the Editor UK companies Commodities & Agrice Currencies Managed fund prices World stock markets London Stock Exchar London Share Prices Lex column Weather guide Section II ('Weekend FT') Front page feature Joe Rogaly Food & Drink Fashion Property Book Reviews Arts Travel Sports International Arts Guid Chess Bridge Crossword James Morgan	ies & finance				
Other international ne UK news Editorial comment Editorial page feature International compan Letters to the Editor UK companies Commodities & Agrice Currencies Managed fund prices World stock markets London Stock Exchar London Share Prices Lex column Weather guide Section II ('Weekend FT') Front page feature Joe Rogaly Food & Drink Fashion Property Book Reviews Arts Travel Sports International Arts Guid Chess Bridge Crossword James Morgan	ies & finance				
Editorial comment Editorial page feature International compan Letters to the Editor UK companies Commodities & Agric Currencies Managed fund prices World stock markets London Stock Exchar London Share Prices Lex column Weather guide Section II ('Weekend FT') Front page feature Joe Rogaly Food & Drink Fashion Property Book Reviews Arts Travel Sports International Arts Guid Chess Bridge Crossword James Morgan	ies & finance				
Editorial page feature International compan Letters to the Editor UK companies Commodities & Agrice Currencies Managed fund prices World stock markets London Stock Exchar London Share Prices Lex column Weather guide Section II ("Weekend FT") Front page feature Joe Rogaly	ies & finance				
International compan Letters to the Editor UK companies Commodities & Agrice Currencies Managed fund prices World stock markets London Stock Exchar London Share Prices Lex column Weather guide Section II ('Weekend FT') Front page feature Joe Rogaly Food & Drink Fashion Property Book Reviews Arts Travel Sports International Arts Guid Chess Bridge Crossword James Morgan	ies & finance				
Letters to the Editor UK companies	ulture				
UK companies	ulture				
Currencies	nge				
Managed fund prices World stock markets London Stock Exchar London Share Prices Lex column Weather guide Section II ("Weekend FT") Front page feature Joe Rogaly Food & Drink Fashion Property Book Reviews Arts Travel Sports International Arts Guid Chess Bridge Crossword James Morgan	nge				
World stock markets London Stock Exchar London Share Prices Lex column Weather guide Section II ("Weekend FT") Front page feature Joe Rogaly Food & Drink Fashion Property Book Reviews Arts Travel Sports International Arts Guid Chess Bridge Crossword James Morgan	1ge				
London Stock Exchar London Share Prices Lex column Weather guide Section II ("Weekend FT") Front page feature Joe Rogaly Food & Drink Fashion Property Book Reviews Arts Travel Sports International Arts Guid Chess Bridge Crossword James Morgan	nge				
Lex column Weather guide Section II ("Weekend FT") Front page feature Joe Rogaly Food & Drink Fashion Property Book Reviews Arts Travel Sports International Arts Guid Chess Bridge Crossword James Morgan					
Weather guide			🗅	🙍	
Section II ('Weekend FT') Front page feature Joe Rogaly Food & Drink Fashion Property Book Reviews Arts Travel Sports International Arts Guid Chess Bridge Crossword James Morgan					0
Front page feature Joe Rogaly Food & Drink Fashion Property Book Reviews Arts Travel Sports International Arts Guid Chess Bridge Crossword James Morgan		. —	П		🛥
Joe Rogaly Food & Drink Fashion Property Book Reviews Arts Travel Sports International Arts Guid Chess Bridge Crossword James Morgan		. —		П	Γ
Fashion Property Book Reviews Aris Travel Sports International Arts Guid Chess Bridge Crossword James Morgan		. —			
Property				. 😐	🗖
Book Reviews Arts Travel Sports International Arts Guid Chess Bridge Crossword James Morgan	.		_		🗖
Arts Travel Sports International Arts Guid Chess Bridge Crossword James Morgan				<u></u>	<u></u>
Sports International Arts Guid Chess Bridge Crossword James Morgan			_	🗖	. 0
International Arts Guidense Bridge Crossword James Morgan					📮
Chess					0
Bridge Crossword James Morgan			_		
James Morgan			 🗅		
interview					
How To Spend It				🗅	🛚
Gardening					
Peter Aspden Weekend Investor W					
"Weekend FT" with Friday "Weekend FT" with Saturda "Weekend FT" in both Frida	paper ay paper	~			
Does not make any differer	108				
D. Are you ? male					
. Are you ?					
under 25					
25-34					
45-54					
55-64			<u> </u>		
65+			🗖		
Are you ?					
working full time					
retired					
running the home full time					
studying full time		(1) . (1) . (1) . (1) . (1) . (1) . (1) . (1) . (1) . (1) . (1) . (1) . (1) . (1) . (1) . (1) . (1) . (1) . (1)			
unemployed					
DILIEL					
. What is your country of re	itizenship? .				
. What is your country of re					
. What is your country of re What is your country of ci	ity of the orga	nisation for w	hich you work (d	or used to wor	k)?
	ity of the orga	nisation for w	hich you work (c	or used to work	k)?
. What is your country of re What is your country of ci			hich you work (c	or used to wor	k)?
What is your country of re What is your country of ci What is the principal activ	tion you hold	(or held)? D Middle I	Manager		



Lloyds TSB ends uncertainty over Hill Samuel

By Ralph Atkins

Lloyds TSB yesterday ended much of the uncertainty over its subsidiary Hill Samuel Bank by announcing that the merchant bank's corporate finance department was being sold to rival Close Brothers for an undisclosed sum

The remainder of Hill Samuel, including commercial and private banking operations, will be integrated into the Lloyds TSB banking group. The move provides a fillip for Close Brothers, more than tripling the size of its corporate finance department at what appears a modest cost. Close's

shares ended up 17p at 379p. It also marks the end of another chapter in the restructuring of UK merchant banking. In the late 1970s. HillSamuel was one of the sector's

The deal resolves many of the questions about Hill Samuel which was acquired by TSB for £777m in 1987. but which has been subject to persistent speculation about a possible sale, particularly after incurring £422m losses in 1991.

It has emerged that staff were told earlier this month that a strategic review, following Lloyds merger with TSB last year, had concluded Hill

combined group.

Lloyds TSB indicated yesterday, however, that the corporate finance department, although profitable, was not regarded as fitting comfortably within the group's operations.

Mr Alan Moore, deputy group chief executive, said: "Hill Samuel's corporate finance department and its clients would be best served by being part of an institution where specialist advice and corporate finance forms a core part of its business strategy."

The deal increases the size of Close Brothers 20-strong corporate finance department by more than 60 staff and

Samuel should be merged into the combined group. fulfils a pledge earlier this year by the merchant bank to expand its activities in the sector.

No financial details have been disclosed, with the assets acquired described as "not material". That suggested the deal would absorb only a tiny part of a £53.4m rights issue by Close Brothers announced last September, leaving scope for further acquisitions. As well as corporate finance. Close Brothers is seeking to expand its loan book and investment management activities.

Mr Rod Kent, managing director, said the Hill Samuel acquisition represented "a quantum leap for our corporate finance side" and was 'absolutely in line with our plans, spelt out at the time of our rights issue last autumn, to increase the size and

scope of our fee earning activities". As at Hill Samuel, Close Brothers' corporate finance team has targeted medium and larger listed companies and has more than 30 quoted clients. Hill Samuel's recent clients include British Rail and the Channel Tunnel rail link and has about 50 quoted cli-

Close Brothers was bought out by management in 1979 for £1m. At last night's close, it had a market value of

Swissair considers next move on Allders

By Christopher Brown-Humes

Swissair will this weekend consider its next move in the acrimonious battle with BAA for control of the duty-free operations of Allders, the department store group, after contacts with Allders' main

shareholders this week. The airline insisted its £145m offer for Allders International remained on the table, even though it appears to have been shut out by a £180m deal between Allders and BAA

Analysis say Swissair needs to regain the initiative if it is to persuade shareholders to reject the BAA offer at an extraordinary meeting on June 10. "The ball is definitely in the Swissair court," said Mr Mark Josefson, stores analyst at Panmure Gordon.

Claims that Swissair changed the value of its offer for Allders International as much as six times during talks in April and May have left an impression in some quarters that the airline is not serious about its most recent offer.

But Mr Martin Caspar, of Swissair, insisted the group was "very serious". He said feedback from Allders share-holders would be crucial to the

group's next move. The war of words between the two continued yesterday. BAA said its retail director, Mr Barry Gibson, had tried to make contact with Swissair during a visit to Zurich but had been rebuffed. Swissair said Mr Gibson failed to turn up to a meeting.

Allders said the BAA bid though Elam K air's - was the only firm offer it had received and had agreed to recommend it at the EGM. Swissair maintains its offer is also firm and unconditional.

This leaves investors in a difficult position. Allders main sharebolders, led by PDFM. with 14 per cent, and Sun Life Investment Management Services with 12 per cent, have declined to comment on their

Mr Roland Leutenegger, analyst with UBS in Zurich, said Swissair wanted to reduce its dependence on its core sirline business, and it had successfully developed duty-free retailing activities through its Nuance subsidiary.

Select Appoints sales increase

Shares in Select Appointments (Holdings) rose 6 per cent yes-terday after the international recruitment agency announced that like-for-like sales were ahead 40 per cent in the first four months of this

Select also announced the acquisition of Nord Alsace Services, a French temporary staffing company, for £680,000. The shares closed up 1½p at

A brake could yet be put on the marriage

gravel-voiced chair-man and chief executive of Varity Corporation, grinned as he described the US group's whirlwind courtship with Britain's Lucas Indus-

tries.
"We started dating and quickly fell in love with one another," recalled the 55-yearold executive, who yesterday predicted that the two automotive component manufacturers would "consummate" their £3.2bn merger this autumn. To do so, he has vowed to sell the merger aggressively in a series of meetings with insti-tutional shareholders of Lucas

"We are going to tell them this deal will not only create one of the world's largest components suppliers, but will also deliver improved shareholder value from the outset."

and Varity over the next few

Along with Sir Brian Pearse, chairman of Lucas, he has already rehearsed presentations for the 10 institutions which hold more than 50 per cent of Varity - dominated by US fund managers Fidelity and Oppenheimer - and the 15 shareholders which own 60 per cent of Lucas.

Those institutions - who will receive a second interim dividend of 4.9p - will be told that the enlarged group has identified £50m of cost savings in the first year following the merger, rising to £65m in 1998. Although the deal will cost about £50m in one-off charges, that should be offset by tax savings of a £65m or so in the

first three years. Mr Rice, who has earned a reputation at Varity for aggres-

Provided, as chairman-designate Sir Brian

Pearse said yesterday, no

predator comes along "to spoil the party," by September the

\$500bn (£330bn) a year world

motor components industry

will have a new "top 10" force.

The merger of Lucas Indus-tries and Varity, the US compo-nents and diesel engines multi-

national, will create a \$6.8hn

turnover company, of which all

but \$750m - Lucas's aerospace

operations - will be in the

That puts it fifth in the

world and an easy qualifier

among the 20 or so viable, truly global tier one compo-nents suppliers likely to domi-nate the industry by the turn

of the century.
In braking systems, in particular – the biggest sector for

the merged company, with

combined annual sales of

\$2.4bn - the merger is likely to be welcomed by car and truck

makers, many already among

the partners' customers.
One reason is technological.

Pooling the resources of

Varity's Kelsey-Hayes brakes

division with Lucas's braking

operations gives LucasVarity an "across-the-board" capabil-

automotive sector.

Tim Burt looks at reasons for the proposed merger of Lucas and

Varity sive cost-cutting, described these estimates as conserva-tive, adding "there is a huge opportunity to improve the working capital and overhead structure of this company."

Most of the cost savings are likely to be achieved by merging Lucas's braking business with Kelsey Hayes, the Varity subsidiary which is North America's largest brakes manufacturer. The combination of these businesses will make the enlarged group the world's second largest supplier of braking components behind Robert

Bosch of Germany. Mr Rice - who predicted large savings through the combined group's increased pur-chasing power – admitted that the merger talks had been intensified after Bosch paid £1bn earlier this year for Bendix, the braking arm of Allied Signal of the US.

Sir Brian Pearse, however, yesterday tried to play down the influence of the Bosch According to the Lucas chairman, senior directors had first decided to woo Varity dur-

ing a weekend retreat last year in the Cotswolds. -Mr George Simpson, Lucas chief executive, told directors attending that meeting that the group would have to form

Rank Company

Delphi Automotive

Mppondenso

Ford-ACD

Aitin Selid AitledSignal

ity in braking systems, includ-ing anti-skid and electronic

traction control, for both light

and heavy vehicles - some-

thing neither partner pos-

Varity in a much stronger position to meet the demands of car and truck

makers for ever more complex

components systems designed, developed and produced by

components manufacturers.

And the benefits should flow even faster as a result of

s such, it puts Lucas-

Dana Philips

sessed on its own.

order to survive. Mr Simpson, who was con-spicuous by his absence at yesterday's meeting, made the challenge facing Lucas clear: the global demands of motor manufacturers meant there would be a shake-out in the components industry; there would be no more than 15 to 20

international suppliers by the turn of the century. Although he has streamlined its previously semi-autonomous divisional structure and dealt with its problematic aerospace defence business, he realised that it was still not big enough to challenge Bosch. Moreover, it was not generating enough cash to fund the investment necessary to become a global systems inte-

By merging with Varity,

which enjoys operating margins of 8 per cent against Lucas's 6 per cent, the enlarged group claims to offer shareholders the prospect of faster revenue growth and improved earnings potential.

Industry analysts broadly endorsed that view, predicting that LucasVarity - as the new company is to be known would join the FT-SE 100 index as one of the world's top 10 tier one components suppliers. They forecast that the enlarged group's pro-forma 1995 profits

Mr Rice's tutelage. "The timing is absolutely right," said one. "Varity's recent profits record has been unspectacular and this deal was probably make or break See Lex

US

Japan Germany

US UK/US

US US

pooled spending on capital

equipment and technology ris-

ing sharply to about \$300m a

However, car and truck mak-

ers will see the brakes part of

the merger in another favoura-

ble light: as a useful counter-

weight to the powerful entity being created in the vehicle

brakes sector by the Bosch/

Bendix amalgamation, Lucas-

Varity will rank second, with

TTT of the US and its Alfred

Teves subsidiary in Europe

ranking third.

A driving force to dominate the industry

WORLD'S LEADING AUTOMOTIVE COMPONENTS COMPANIES*

1994-95

\$26,100m

\$13,840m \$12,653m

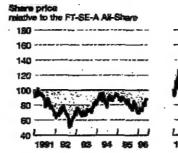
\$6.800m

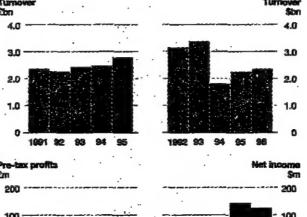
\$5,679m \$5,299m

\$5.022m

Lucas Industries







of £187m on sales of £3.9bn would improve sharply under 1991 92 93 94 95

Mr Victor Rice, Varity's chairman and chief executive,

made much play of the syner-

gies and complementary strengths and weaknesses of

the partners yesterday - but

the alliance is not wholly with-

out areas of potential conflict.

from the merger, said Mr Rice, would be a rapid ramp-up of

supplies of Lucas's advanced

fuel injection systems to

The Peterborough-head-

quartered diesel engines manufacturer, with total output of

about 250,000 units a year, is

one of the world's biggest die-sel producers. VarityPerkins

produces engines in the 5bhp-

2,500bhp range - and has a broad spread of customers

from the industrial and con-

struction sectors, through

extremely ambitious expansion

plans for VarityPerkins, proj-

ecting a doubling of sales and a move into diesel engines for

executive and luxury cars by

In most respects the two

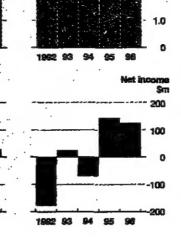
However LucasVarity has

trucks and into marine.

the end of the decade.

VarityPerkins.

One "immediate benefit"



The three operating units Var-

ity brings to the party -

VarityDaytonWalther, the

truck wheel components arm.

as well as diesels and braking

- are all big players with

strong market shares and

ucas has similar

strengths - it is

of foundation brakes, the basic

building blocks of all braking

systems - but complemented by its electronics and diesel

injection systems. Varity is one

of the dominant players in

North America but, spurred in

part by the rapid expansion of

other US automotive compo-

nents groups such as TRW, has long been looking for a stron-

ger presence in Europe. In giv-ing Lucas a key to more busi-

ness in North America, the

new group is gaining critical

mass in sectors which matter.
In the absence of some sylla-

ble rationalisation, one of the

group's biggest problems is

likely to be pronouncing some

well. The problems that we

have had have been manage-

ment issues between people.

well-known brands.

NEWS DIGEST

department stores.

£330,000 to £717,000.

making any further recommendation.

latest bid for those eligible to 716.25p a share.

giving a weighted average of 600p a share.

Pay boost for MAM chief

Panther raises

offer for Elys

Panther Securities, the property developer, has raised its offer

for Elys to 685p a share, valuing the Wimbledon department

The new offer consists of 590p cash and a special dividend of

Sop that Panther wants Elys to pay, Failing that, Panther would make an extra payment of Sop a share to Elys share-

Elys responded by advising shareholders "to take no further action" on a recommended 670p a share offer from Morley's

Stores, a private company that owns four south London

It told shareholders that Panther's new bid exceeded the recommended bid by "a mere 2 per cent", and said it would ask Panther and Morley's to state their final offers before

However, Panther said that tax credits were available on the

special dividend payment which increased the value of the

Mr Peter Rowson. Panther finance director, said the new offer was "probably" final and that if successful, Panther would not retain Elys' listing. Panther had previously bid 750p

a share for the first third of Elys shares and 525p for the rest,

Elys' pre-tax profits for the year to January 31 were £588,000,

or £122,000 after exceptionals. They peaked at £1.1m in 1991 and dividends have fallen in real terms since then.

The remuneration of Ms Carol Galley, vice chairman of Mer-

cury Asset Management, more than doubled last year from

The increase partly reflected a bonus payment of £500,000,

However the figures are slightly distorted as a larger amount

of Ms Galley's bonus was deferred last year under a bonus

scheme which is designed to encourage executives to stay with

the group. Ms Galley, who runs MAM's UK institutional busi-

ness, received unprecedented publicity for a fund manager earlier this year for her role in the Granada-Forte takeover

In the year to March 31, MAM increased pre-tax profits by 28

per cent to £140.4m (£111.5m) and funds under management from £63.5bn to £81bn. Gooff Dyer

Mr Gerald Kaye, director in charge of property development at Helical Bar, received a £206,000 bonus for the year to January. The bonus was the main factor behind a sharp increase in

The company said that the discretionary bonus was awarded

with regard to the level of development profits generated by

Helical Bar. Development profits in the year to January

The remuneration of Mr Michael Slade, managing director, declined from £609,000 to £317,000. No payments were made

under a bonus scheme set up in 1992 which is linked to the

company's performance as measured by net assets per share.

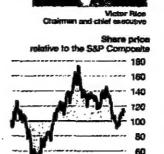
battle, as MAM owned a 14.6 per cent stake in Forte.

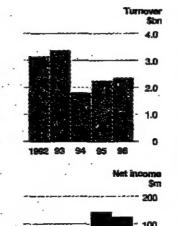
Helical Bar director's bonus

total remuneration from £165,000 to £369,000.

increased from £0.8m to £5.2m.







Dragon reveals \$1.5m loss Mr Arifin Panigoro, the newly elected chairman of Dragon Oil,

yesterday unveiled pre-tax losses for 1995 of \$1.5m (£980,000). He also announced the Irish oil exploration company had won shareholders' approval for its 250m placing and open offer. The company will use the proceeds to acquire a 60 per cent stake in Larmag Energy Assets in a reverse takeover. Larmag is a 50 per cent joint partner in and operator of the

Larmag Cheleken oil and gas venture in the Caspian Sea, and its takeover more than trebles Dragon's reserves to more than 170m barrels of oil equivalent.

Mr Panigoro replaces Dr TT Tsui who has resigned. In its first year to December 31, Dragon recorded sales of 4.3m, compared with \$6.5m for the 14 months to December 31 1994, when profits were \$1.2m. It said that continuing operations had achieved breakeven at the gross level, and discontinued a gross loss of \$600,000.

Losses per share were 0.07 cents (0.01 cents earnings).

Bridgend Group tips into red Bridgend Group, the wholesale distributor and leisure com-pany, was tipped from a £28,000 pre-tax profit to a £3.38m loss after an exceptional property revaluation in the year to

Mr Neil List, chairman, said the revaluation was made on Stocks Hotel Golf and Country Club, its only leisure asset, after looking at its first full-year operating profit.

Group turnover was down from £17.5m to £15.58m, reflecting recent disposals of leisure businesses, while underlying sales rose £1.23m. Pre-tax profits before exceptionals were lifted by the distribution side, but pulled down by the leisure side.

Incepta back in the black

A strong second half from its Park Avenue offshoot helped Incepta, the recruitment consultancy and financial communi-cations company formerly known as WMGO, to turn a £2.26m loss into a pre-tax profit of £1.36m in the year to February 29. During the year the company underwent a complete restructuring which eliminated all lossmaking and cash con suming activities.

The pre-tax result was after a net exceptional profit of 2898,000 arising from the closure of Woollams Moira Gaskin O'Malley and the sales of WM Media, Sutch Webster WMGO Direct and Moxon Dolphin Kerby. Last year, there was a £2m goodwill write-off.

Total turnover edged ahead to £26.1m (£26m), including £14.3m (£11.7m) from continuing operation Mr Arthur Morton, chairman, said all the group's operating companies were trading profitably, winning new business and had made a good start to the year

Kelsey hit by start-up costs

Considerable start up costs for a new product left pre-tax profits at Kelsey Industries, the electronic sundries, roofing and motor components group, down 22 per cent at £1.14m for the six months to March 31. However, the company predicted valuable long-term busi-

ness from the investment in its motor components division. The roofing side was still suffering from lower margins. while the soldering products division had "progressed well" on

Turnover grew 17 per cent to £31.5m.

Pearson changes auditors

Pearson, owner of the Financial Times, is to change auditors. Price Waterhouse, the Big Six accountancy firm, is to become worldwide auditor, replacing Coopers & Lybrand in the UK and Arthur Andersen in the US, following what is understood to have been a close fought tendering process.

In Brief

■ CANNING (W), the speciality chemicals group, has acquired Ameo Sari for 52.1m in cash. Ameo, which sells a range of additives for combustion improvement, operates in France and in 1995 had sales and pre-tax profits equivalent to £1.8m and £0.3m respectively.

FIELDENS, the farm tyre and wheel supplier, is raising about £1m through a listing on the Alternative Investment Market. The company is issuing up to 1.66m shares at 60p each via an offer for subscription valuing the company at £3m.
■ OLD ENGLISH PUB COMPANY, the Aim-listed pub restau rant operator, has acquired from the receiver the freehold of the Brome Grange at Brome, Suffolk and the Scole Inn at Scole, Norfolk for £1,03m in cash.

Danka expands in US with \$83.5m photocopier purchase

By Simon Kuper

Danka Business Systems, the acquisitive office equipment supplier, has spent \$83.5m (251.9m) buying Leslie Supply, a photocopier distribution company operating in the New

Danka financed the purchase by issuing 6.8m shares to the Schioss family that owned Les-

Leslie made pre-tax profits of \$3.3m on sales of \$55m for the year to March 31, 1995. It has net assets of \$6.5m and about 400 staff

Danka said the acquisition would strengthen its network in New York and "increase our level of business with Canon". Danka made about 50 acquisitions last year, taking its sales to 2793m and profits to £53.9m.

Mr Paul Dumond, company secretary, said: "Danka is now at the stage where it has national coverage in the US and the UK as a result of our acquisitions."

The company said last month that acquisitions would add at least 15 per cent to annual sales for the next three years. It has just 6 per cent of the UK market and less in North America and continental

Mr Dumond said the company's turnover and profits had grown by more than 30 per cent a year for the past decade, with two-thirds of the growth coming by acquisition. Danka has borrowings of about \$300m on net assets of \$15m. Mr Dumond said this was because the photocopy supplier companies it acquired tended to have

Stordata Solutions ousts chief executive

John Griffiths analyses the impact of the global components supplier

Stordata Solutions, the car security and computer systems group, has ousted its chief executive after less than a year on the main market, writes Jane Martinson.

The company said yesterday that Mr Stephen Sowery, who joined the company just before flotation in October 1995, "had lost the confidence of the other

members of the board". In the year to November 30, Stordata made a pre-tax loss after exceptionals of £473,000 (2540,000 profit). The exceptional charges of £507,000 were for debtors, stock and reloca-

Distribution, a data storage company and Patriot, a computer systems operation. Last month the group said profits were only "modestly ahead of last year". It said yesterday that trading continued to be in line with that statement. tion provisions. Stordata was formed after

Mr Duncan Clegg, chairman, Millgate - previously a car said yesterday: "The business alarm group - bought Primary itself has been going on pretty

Mr Sowery has been replaced by Mr Derek Baty, executive director of Primary, while Mr Martin Southern, managing director of Laserline, the group's car alarm distributor. has been appointed group managing director.

RESULTS					: .						
	Tensor	úr (Em)		t (GM)	EP:	S (µ)	Current payment (p)	Date of payment	- Dividends Corresponding dividend	Total for year	Total tast year
Bridgend Group Yr to Dec 31	15.58	(17.52)	3.381.4	(0.0284)	123	(0.1)	0.1	July 26	0.1	0.2	0.2
Oragon OBS	4.3	(8.5.)	1.5L\$	(1.27)	0.07L	(10.01	-	-	-	-	-
Incepts Yr to Feb 29	26.1	(26)	1.35♥	(2.26L)	1.13	(5.81L)	гШ	-	nil	nā	0.50
Kelsey industries 8 miles to Mar 31	31.5	(26.8)	1.14	(1.46)	19.9	(27.3)	В	July 12	6	-	24
Property Parts Yr to Mar 31	7.37	(6.95)	2.61	(2.26)	17.83	(15.96)	5.6	July 22	5.175	8.4	7.875
Residential Prop Yr to Mar 31	2.58	(0.77)	0.804	(0.297)	9†	(4.91)	3	July 30	1.3	4.5	1.3
Sketchley Yr to litar 31	139.1	(139.7)	3.5	(8.4)	4.81	(72)	2.4	July 10	24	3.5	3.4
Investment Trusts	MAI	7 (M)		octable gs. (Em)	84	(v)	Carrent poyment (p)	Date of payment	Corresponding gredent	Total for your	Total lest year
Broadgate S miles to Mar 31	153.53	(120,44)	0.012	(0.0151)	0.25	(0.31L)				-	1,8
Fleshery Growth 6 mile to Mar 31	154.5	(123.1)	0.657	(0.585)	1.42	(1.25)	1.1	July 10	1	-	3.1
Martifest irish 55 vetaks to Mar 31	116.05	(-)	0.221	(-)	1.35	(-)	0.67 5 Å	July 15	:	0.675	-
TR Property Yr to Mer 31	35.2	(33.98)	6.36	(5.84)	1.35	(1.33)	0.56	July 31	0.54	0.98	0.94
Earnings shown basic. Dividends shown net. Fig	ures in br	actets are f	or consept	nding period.	. ♠Alter to	ceptional ch	erge. WAlter e	sceptional co	edit. †On increase	ed capital. X	Foreign Income

Schering to control E German drugmaker KHD is

By Judy Dempsey in Berlin

Schering, the German pharmaceuticals company, is set to expand its fertility and hormone division after announcing yesterday it was buying a 74.9 per cent stake in Jenapharm, eastern Germany's only profitable pharmaceuticals group. Jenapharm is owned by Gehe, the Stutt-gart-based pharmaceutical wholesaler. The decision by Gehe to reduce its

stake to 25.1 per cent and transform Jenapharm into a jointly-owned company with Schering is regarded as a strategic alliance with considerable

benefits for both sides. Schering will take over managerial control of Jenapharm, assuming the venture obtains approval from both supervisory boards and the European

Schering, which had long eyed Jena-pharm after it was placed under the Treuhand privatisation agency in 1890, but which had seen it snapped up by Gehe in 1991, yesterday said the Weimar-based company would complement its fertility and hormone division.

This division last year accounted for 31 per cent, or DML41bn (\$920m), of Schering's total turnover, which amounted to DM4.64bn. Net profits were DM249m. This deal will definitely strengthen the hormone division, particularly fertility control, and there will be synergy effects," Schering said. Gehe. which over the past year has

expanded outside Germany through acquiring AAH, the UK drugs wholesalers, and is now locked in a bid battle over Lloyds Chemists of the UK, has invested more than DM100m in Jenapharm since 1991. Last year, Jenspharm reported not profits of about DM20m on sales of DM218m. Gehe reported a 51 percent rise in its net profits for 1995 on sales of DM19.3bn. Profits reached DM212m and were boosted partly by the consolidation of AAH into Gene's group results for nine months.

Despite, or indeed because of, growing sales at Jenapharm, Mr Karl Elch. Gehe's finance director, yesterday sald his company was faced with a major decision about the future strategy of both Jenapharm the mother company. "We have no Europe-wide marketing

structure. We had to decide whether to build one or seek a partner to market Jenapharm's products. We wanted to internationalise it," said Mr-Rich. He added that they had looked around for partners for some time, but Schering always seemed the obvious one, given the complementarity of its products and Schering's strong marketing infrastruc-ture. 'I think this strategic alliance will

upbeat on survival prospects

Klöckner-Humboldt-Deuts, the German engineering group facing bankruptcy after the discovery of losses of DM650m (\$424m) last week, yesterday said it was "making good progress on a rescae bid".

However, the package of unspecified measures designed to offset the losses will have to be appropried by a consurtion

be approved by a consortium of about 30 banks, headed by Deutsche Bank, which is due to meet in Frankfurt next

Wednesday.
The group's non-executive supervisory board, chaired by Mr Michael Endres, a board member of Deutsche Bank, met yesterday at the bank's headquarters in Frankfurt. Deutsche Bank, which owns 47.7 per cent of KRD, refused to comment on any details of

the rescue package.
As Germany's biggest bank,
Deutsche is sure to have a degree of leverage over the other banks in the consortium but it remained unclear last night whether the rescue package would be approved.

The same consortium had to put together a DM919m rescue bid for KHD last January and it is not certain what long-term prospects there are for the company, which would continue to face high German

Analysis have suggested it would be better to let KHD, one of the oldest and bestknown names in German engineering, go bankrupt and then sell off the group's main units - the plant engineering and the diesel engine busines to the highest bidder.

Most of the banks would have written off their loans to the company - where there have been three rescue attempts in seven years making it easier to opt for

hankruptcy, analysts argued. Mr Michael Hagmann, an analyst at UBS, the Swiss investment bank, said the die-sel engines and plant engineer-ing units were "excellent businesses" which had been suffering continuously from KHD's "high indebtedness and

a weak equity base".

After KHD's rescue last year there was speculation that its engine business might be sold to MAN; the German truck, engine and printing works cooled engines would in gen-eral fit well with MAN's existing range of - mainly bigger engines for ships, analysis

Meanwhile, public prosecutors in Cologne, where KHD is based, have began interview ing two of the 15 KHD executives and suppliers who were charged earlier this week with fraud. If convicted they face prison sentences of up to five



Sketchley seeks £21.6m to finance refocus

Sketchley, the dry-cleaning group, launched a £21.6m rights issue yesterday to cut debt and shift business focus. Mr John Jackson, chief exacutive, said the group wanted to build up textile services to 75 per cent of business in the next three years.

This would cut the contribution of retail - the group's recent bugbear - from 50 per cent to 25 per cent. -"Textile services offers us

better growth prospects," said Mr Jackson. The 1-for-3 issue is priced at 105p a share. The group's shares fell 8p to close at 118p

Textile services includes workwear rental contracts where the group typically sup-plies and cleans overalls hotel itnen cleaning and laun-

dry for British Airways. The rights proceeds will help the group fund large up-front investments on new commercial contracts. Investments will also be made in new Sketchley dry-cleaning stores as leases on

Problems with the retail side dragged Sketchley to a \$3.5m pre-tax loss in the year to March 31. It had made a pretax surplus of £6.4m a year ear-

The main hit was a £7.5m exceptional charge to cover the closure of 160 lossmaking branches. But operating profits also fell from £7.9m to £5.9m after a 25 per cent drop in sales during last summer's heat

130 stores out of the 160 target. and said its remaining 550 branches are well positioned. It expects to generate significant new business through an exclusive deal with JSainsbury to open dry-cleaning outlets in

superstores.
Mr Jackson said the current year had started well, with retail like-for-like sales up between 4 and 5 per cent, and textile services up 6 per cent. "Discretionary spending has started to come back," he said. An unchanged final dividend of 2.4p gives a total of 3.5p, up

After a spell in the dry cleaners, Sketchley's dirty stains in the form of 160 lossmaking shops have now largely been removed. So yesterday was a good time to take the pruce-up a stage further with a rights issue that enables the group to move from defensive to offensive mode. Whereas the old expansion strategy would have emphasised acquisition. the new maning a surgame the better. Everything is in place for a recovery, with expansion through Sainsbury stores and higher discretionary spending - if sustained adding to the growth it should get from textile services: But shareholders have heard "the new management, new strategy" story enough at Sketchley over the last 15 years to remain wary. The shares may struggle to make progress in the short term.

(A. M.)

200

Course in a

HAR W

13.544

Clondalkin buys Dutch group for

By Jane Martingon

£40m

Clondalkin, the Dublin print and packaging concern, is to buy Van der Windt, the Dutch packaging group, for Fl 104.3m (£40m) from NV Koninklijke, a

Dutch public company.

The group said the acquisition, its largest to date, would be earnings enhancing imme-diately and would strengthen its position in the European flexible packaging market. Clondalkin shares, listed on

the London Stock Exchange, rose 20p to 485p yesterday. Van der Windt, which manufactures and distributes packaging materials for markets, chiefly in the Netherlands, Germany and Belgium, is set to provide some 40 per cent of the Irish group's sales and

Clondalkin manages flexible packaging operations in Ireland, the UK, the Netherlands, Switzerland and the US. It said that expansion in Europe would "complement existing operations and pro-vide greater balance in terms of foreign currency, invest-

ment and earnings potential". Van der Windt made a pretax profit of Fl 19.4m on sales of Fl 268m in 1995. The deal will add 570 employees to Clondalkin's total of 2,544. Last year Clondalkin lifted

pre-tax profits 22 per cent to E18.8m, helped by the first full-year contributions from Vassen in the Netherlands and Nyco in Switzerland. Clondalkin also bought Boxes, a UK folding carton manufacturer, in September for

Under the latest deal Clondaikin will repay Van der Windt debt, estimated at less than Fl 50m. The Irish group's net debt at the year end was 1£25.4m, giving gearing of 38 per cent. After the deal the group said its interest cover would be more than 10 times.

Cloudalkin expects the restatement of the Dutch group's fixed assets at acquisition to lead to "a significant

RBS holding in Spanish bank raised to 4.9%

By Geoff Dyer

Royal Bank of Scotland has exercised options to purchase a further 1.04m shares in anco Santander for £31m, taking its stake in Spain's largest banking group to 4.94

RBS has had the options since 1988, when it entered into a business alliance with Santander, which in turn has a 9.89 per cent stake in the Scottish bank.

The latest purchase, which RBS said would probably be the last, means that it has spent nearly £180m on Santander shares since last

RBS said the investment was designed to cement its relationship with Santander and would have a negligible

impact on earnings. The two banking groups also have an alliance in Portugal and in the Ibos cross-border

Acquisitions lift Residential **Property**

Helped by the acquisition of PKL Group in January, Residential Property Trust, the residential property management company, achieved a iump in pre-tax profits from £296,768 to £803,819 in the year to March 31.

Mr Stuart McDonald, chairman, said it would continue to seek opportunities to grow organically and by acquisition. Turnover rose to £2.56m

(£769,792) of which £589,705 came from acquisitions. The board is proposing to change the company's name to RPT Management Services to

reflect its activities.

subsidiary, Amper Elasa, with bringing the operations of the Spanish company's Amper Telemática subsidiary, which an option to acquire the other 20 per cent. Siemens said it cue operation carried out by Telefónica, has returned to Siemens of Germany expects to

Siemens in Pta14bn Amper deal

triple its business in the Span-ish telecommunications equip-ment sector as a result of an agreement signed yesterday with Spain's Amper group, an important supplier to the national telephone company Telefónica.

Siemens said the first stage of the deal would involve payment of almost Ptal4bn (\$108m), its largest investment in Spain to date. .

The agreement, reached after long negotiation, includes the purchase by Siemens of an 80 per cent stake in the Spanish company's public telephone

would strengthen the Spanish unit's export activity and make it the focus for developing, producing and marketing public telephones worldwide.

At the same time, the German group is taking a 10 per

cent stake in Amper Datos, which specialises in data net-work systems, with the idea of possibly expanding its participation to 30 per cent in future. The initial shareholding is seen as a tactic to prevent another competitor from mov-

A third leg of the agreement, still to be concluded, involves

makes terminals and small exchanges, into a joint venture with Siemens' telecoms net-work activities in Spain. The joint unit, to be called Siemens Telecomunicaciones Espeña is to be 66 per cent controlled by the German group, with Amper holding the remaining 34 per

ted to involve a further investment by Siemens of about Pta2bn, awaits the outcome of a labour dispute at Amper Telemática which is in the hands of a Madrid court. Amper, floated on the stock

profit in the past two years after suffering heavy losses. Its net earnings climbed from Pta905m in 1994 to Pta2.71bn Pta36.21bn to Pta40.05bn.
The deal follows a prelimiyear. Siemens said the agree

nary understanding between the two companies in July last ment would enable it to build up its position among the main suppliers of telecommunicstions in Spain. It expected its turnover in the sector to reach Pta35bn within two to three years, three times the current

HSBC shareholders approve bonus scheme for executive directors

Shareholders in HSBC Holdings have approved a con-troversial bonus scheme for the banking group's executive directors, despite the opposition of some institutional

The scheme enables directors to receive bonus shares valued at up to four times their annual salaries if earnings performance targets are met.

Some shareholders argued that the potential rewards were excessive and the target - 2 per cent real earnings growth averaged over four years - was too low.

Mr Stuart Bell of the Pensions and investments Research Consultancy (Pirc), which advises pension funds, told yesterday's annual meet-ing that the scheme rewarded executives for "adequate but not outstanding performance."

He added that the group's remuneration committee had excessive powers to alter the rules of the scheme in future years. Pirc advised its clients to vote against the

However, HSBC received proxies in respect of 430m shares in favour of approving the scheme. Proxies representing 85m shares were against. Sir William Purves, chairman, told the meeting that

four times annual salary was theoretical ceiling and that rewards were expected to be

In practice the group envisaged granting bonus shares equivalent to up to 25 per cent of annual salary if performance targets were met, he said.

Many companies are introdu cing similar long-term incentive plans at the suggestion last year of the Greenbury



Predators eye the smaller fry

he formerly stolld building societies sector has undergone an unprecedented amount of change in the past 18 months. But for all the excitement that has attended the announcements of conversions, mutuality packages and chief executive oustings, the activity has focused primarily on a handful of the UK's 78 building societies - all

in the top 10. The small and medium size societies, from the tiny West Cumbria to the 18th largest West Bromwich, are beginning to attract public attention,

Last month, the Building Societies Association conference became a frenzied rumour mill as it emerged that Bir-mingham Midshires, the UK's 10th largest, had suggested a merger with West Bromwich, the 18th largest.

Although West Bromwich repelled Midshires' approach, Midshires may be scrutinising the sector for other opportuni-

"Industry predators are looking at smaller societies because they have run out of bigger ones to look at," says Mr Rob Thomas, analyst at UBS. "The smaller societies will form the epicentre of the next set of changes to hit the industry.

Undoubtedly, there will be more deals. "There has been about a 10 per cent reduction in the number of societies per annum throughout the century," says Mr David Anderson, chief executive of the Yorkshire Building Society. There will be further consolidation as some societies decide they could affer their members more by combining with

Two societies which have recently embarked on this route are Stroud and Swindon. which took over City & Metropolitan in April, and CumberThe mutuals which still exist are seeking ways to protect themselves, writes Motoko Rich

land Building Society, which will complete a takeover of West Cumbria in October. While industry pundits have speculated that some of these merged societies could follow the Halifax, which merged with Leeds Permanent to become a bank. Mr Thomas

says that is improbable. "The

extra bulk you would get by putting any of the two that remain together would not be

over - but are free to launch The remaining societies believe their former allies represent the greatest threat to their future: they see the new

pressure to grow by acquisi-Many of the smaller societies are determined to remain mutual. Several have demonstrated their commitment by offering mutuality packages,

banks facing stock market

substantial enough," he says. The remaining societies believe their former allies represent the greatest threat to their future: they see the new banks facing stock market pressure to grow by acquisition

"The biggest you would get would be something roughly the size of National & Provincial." N&P, the seventh largest society, succumbed to a takeover by Abbey National in

April Mr Adrian Coles, director-general of the Building Societies Association, says the smaller societies do not represent a plundering ground for the banks. "Most of the smaller players are so small that it is not worth it for the big institutions to buy them."
Nevertheless, the industry

has been pressing for changes

to draft legislation to end the

protected status of societies

which convert into banks.

These societies are protected

for five years from bostile take-

cutting their own margins to deliver better rates to borrowers and savers Those who have not including Birmingham Midshires, Portman, the UK's 12th

largest, and Chelsea, the 16th

biggest - have become the subject of some speculation about their future as mutual societ-Chelsea says it is not interested in mergers or conversion. "We think the best way to demonstrate the benefits of being a building society is to offer the best products," says

Mr Darren Stevens, corporate Some say the mutuality packages will have to be softened anyway. "Several of those

will halve their profits and their capital strength will start to dilute and their cost-income ratios will get worse," says Mr Andrew Messenger, chief exec-utive of West Bromwich. "So they will have to pull back their discounts and widen their margins again." However, banks will also need to charge higher rates to

offered by the mutuals are likely to remain attractive. Still, mutuals need to deliver robust performances for their members. "Mutuality has been used as a cover-up for ineffi-ciency," says Mr Messenger. Mutuals have to be really efficlent and profitable, and then

give some of those profits back

maintain profits, so the rates

The demutualisation Northern Rock and Bristol & West one by conversion, the other by takeover, earlier this year, reinforced the fear that the mutuals could fade into an old fashioned niche.

But the remaining mutuals believe that niche is vital. "If the sector is destroyed, competition will disappear, and the very availability of some products could be open to ques-tion," says Mr Anderson. Whereas banks are not required by law to provide mortgages, or even retail savings facilities, building societies are.

The smaller societies believe this is where their future lies. "We have to focus on our core mortgages and savings," says Mr John Thomson, deputy chief executive of the Coventry Building Society, "A regional building society does not have the resources to have a full range of financial service products. As a sector we cannot be

The Financial Times plans to publish a Survey on

The survey will focus on the policies of the new administration • The challenge faced by the country of monetary union • Spain's privatisation programme, banking, competition and much more • its music and dance culture.

on Monday, June 24.

For further information, please contact Ewa Placzek-Neves on +44 0171 873 3725, Fax: +44 171 873 3204 or Edward Macquistan on +34 1 377 0061 or Fax: +341 377 0062.

FT Surveys

WEEK IN THE MARKETS Chicago grains head lower

Chicago's grain pits provided most excitement this week for anniodity traders. As London intal Exchange contracts con-salidated after recent sharp pair and "softs" futures at the bandon Commodity Exchange moved in narrow ranges Chicago Board of Trade wheat, maize and soyabean prices reacted to improved conditions in some US growing areas with dramatic falls,

US weather had for some time been the dominant influence on world grain markets. Prices were driven to historic highs by the drought condifight by the arranged concu-tions that damaged prospects for winter-sown crops and then moved still higher as excessive rain seriously hindered spring

The mood change profoundly this week, however, after weekend rains in parts of the Southwest plains broke the drought that had continued to blight harvest prospects and sunnier weather in crucial spring-wheat states like Indiana and Oklahoma raised hopes that plantings there could soon be completed.

About 20 per cent of the US maize crop remained to be planted as of last Sunday, according to a survey released on Monday by the US Department of Agriculture. But traders said drier weather forecast for the next week or two should allow farmers to get their remaining seed into the ground.

They said the rain in the Southwest plains had come too late to boost wheat yields significantly but would encourage farmers to plough up failed wheat stands and plant mile, a feed grain that can be used in

place of maize.

All-in-all, grains market analysts said, improved planting prospects, lagging maize exports and the prospect of government aid to cattle ranchers - the USDA was expected to release 42m bush-

COMMITAT.

els of maize from the emergency food reserve - had taken the pressure off maize prices. In late trading at the CBoT yesterday September delivery maize futures were up a few cents on the day at \$3.96 a bushel, still 17 cents down on the week. September wheat was quoted at \$5.26% a bushel. down 2 cents on the day and

35% cents on the week At the London Metal Exchange copper prices regained some of their recent heavy losses as nearby supply

LINE WAREHOUSE STOR (As at Thursday's close) tornes HE STOCKS

+5,800 bs 880,776 +1,180 bs 85,140 -4,100 bs 88,800 -400 bs 88,800 +330 bs 8,855 +335 bs 588,626 -10 bs 9,086 tightness was reasserted. The three months delivery position

closed yesterday at \$2,446.50 a tonne, up \$24.50 on the week, while the cash premium, which at one point last week had shrunk to less than \$60 a tonne, stood at about \$100. Close Previous High/low AM Official Karb close Open int. Total daily tur Copper's recovery was undermined yesterday by dis-appointment with the 4,100tonne fall announced in LME warehouse stocks of the metal. Some traders had suggested that a drawdown of as much as 30,000 tonnes was possible.
Aluminium prices also dipped yesterday, and were little changed on the week.

The strongest LME contract over the week was nickel, which ended \$112.50 up at \$7,987.50 a tonne, for delivery in three months. But that was \$157.50 below the peak reached on Wednesday. Dealers attri-buted a \$100 fall yesterday to news of a rise in LME stocks and pressure from commission house selling following repeated failures to break resistance at \$8,200 a tonne.

The earlier strength of the nickel market was encouraged, traders suggested, by news of top management changes at Norilsk, the Russian nickel giant whose exports are seen as a key swing factor in the western world's supply/demand balance.

Richard Moones

WEEKLY PRICE CHANGES High Low \$850.0 \$415.40 344.50, \$83.50, \$1799.00 \$1676.0 \$2643.5 \$2610.0 \$604.50 \$922.5 \$7560.0 \$8225.0 \$1042.0 \$1082.0 \$0940, \$2550.0 \$244 \$1178 \$2821 \$2805 \$106.85 \$127.5 \$126.85 \$127.5 \$126.75 \$184.1 \$392.25 348.50p \$1564.5 \$2547.5 \$823.5 Gold per troy cz. Silver per troy cz. Aluminium 98.7% (cz. \$373.0 +1.55 -2.50 -2.0 +12.0 -9.5 +5.0 -10.0 -10 -3.5 -70 -3.8 +0.10 -18.60 267.90p \$1,529.5 \$2,486.5 \$690.5 \$7455 \$990.5 \$5960.0 \$5960.0 Copper Grade A (cash) Leed (cash) Nickel (cash) Zinc SHG (cash) \$7790.0 \$1018.5 Tin (cash) Cocce Futures May \$8225 £1077 Colles Futures May Sugar (LDP Rew) 21805 \$268.7 £108.50 E1570 Barley Futures Sep Values Futures Sep Cotton Outlook A In Wool (54s Super) Of (Brent Blend) ·· £111.70 £111.80 .. 110.60 87.65 525p 452p \$18.77 \$23.13 63:30 448p \$17,88x 81.95 430p \$16.90 +1.00 -1,25

COMMODITIES AND AGRICULTURE

GRAINS AND OIL SEEDS

BASE META	·.			cious LD com					_
LONDON ME						ing.	***	9-4	
Prices from Ameigra				200		No.	low	Vol	٩
N ALIMBAUM, 583	PURITY \$ pa	r torreti	_	390.8		382.0		28,725	_
• • • •	Caste	3 miles	350	- 302.6		312.0	-	وورس	щ
Close	1564-65	1595-96	i i	394.4		395.5	302.1	32,203	83
Previous .	1572.5-73.5	1603-4	Oct .	397.5					
Salylow .		1600/1587	. Duc	400.5	-	401.B	300.2	32/3	
AM Official	1558-58.5	1588-88-5	Feb	403.4		402.6	402.6	315	6
Kerb close		1591-92	Total					KUN	153,
Open Int. ·	225,045		M PL	KTRUM	NYME	(50 Tr	OV OZ.:	3/troy	E)
Total daily turnover	41,855					_	-	_	_
ALUMINAN ALL	OY & per tonn		Jak - Det	400.4			405.5	1,140	
** :			- Jan	400.5			408.5		
Close	1295-300	1334-35		412.5			411.0		
Previous	1295-305	1335-40	Apr Tutal	4123	407	4120	4113	1,188	
High/fow - AM Official	1293-08	1337/1330	-				_		
Karb close	123-90	1337-42	PA	LLADIU	NYM	-X (100	Troy a	L; Vir	al ca
Ocen int.	4.850	1301-46	مش	139 A)	+0.10	133.00	132.00	1,302	1,
Cotal daily turnover	1,486		300				132.00		
			Dec	134,40	+8.10	135,00	133.50	21	-
E LEAD & per tonne	<u> </u>		Tetal					1,243	9,
Close	823-24	827-28	E SU	VER CO	MEX (5.	000 Tn	ny oz.: (Cente/t	тоу с
Previous	829.5-30.5	833-34	25	594.4		F94 0	530.0	12	_
ligiviou	827	533/826	May	. 531.1	+6.1	2017		1	
AM Official	827-25	630-30.5	, m	536.1 540.3		542.0		10,420	
(aup ciose		826-7	=	545.8		547.5			
Open int.	35,707		Dec.	554.1			545.0		10.
Total daily turnover	5,218		Rise	. 520.2			580.0		4/
NICKEL (\$ per tor	nej .								
Close	7885-95	7965-8000		•					
Previous ·	7960-80	8095-100							
tigh/low	7885	8070/7920							
VM Official Carb close	7890-85	7980-90							
Caro ciciae Down Int.	44.233	7995-8000							
	99,000			RGY					
lotel daily turnover	10,798			nur					

7690-85	7980-90 7995-8000						
44,333 10,789		ENE	RGY				
		E CR	NOE OF	NYA@D	(1,000	berrei	4
6220-30	6250-80			Day's			
6295-308	6320-30		Price	دوست	100	1,000	1
6240	8300/828Q	34	19.76	-1.00	20,10	19.72	8
6230-40	6260-65	Amg	19.10	-0.83	18.37	19.06	2
	6255-80	Sup	18.05	-0.64	18.85	18.65	12
17,910		Oct	18.40	-0.46	18.45	18.35	4
3,386		Mark	18.13	-0.47	18.22	18.13	2
grada & per	icrene)	Dec Total	18.00	-0.40	18.12	17.98	116
1018-19	1044-45 1046-47		UDE OIL	IPE (SA	barred.		1 34
016.5/1018	1047/1042		Sett	Dan's			
1016-16.5	1042-43			-	100	Leve	
	1048-7	Jef	17.80	-0.64	18.05	17.80	14
74,236		Ann		-0.52	17.71	17.46	1
14,228		Ang Sap		-0.43		17.20	-
S per toresel		Oct		-0.47			1
2546-49	2448-47	Her	16.95	-0.36	18.36	18.90	1
2586-70	2484-86	Dec Total	18.85	-0.29	16.85	16.60	

icee	2546-49	2448-47
revious	2588-70	2484-86
igh/low .	2650/2545	2480/2440
M Official	2543-44	2448-47
arti closs		2447-48
ipien Int.	189,429	
otal daily turnover	82,23A	
LIME AN Official	C/S rate: 1.63	75
LIME Closing E/S	rate: 1.5321.	
xt 1.5504 3 mbs; 1.5	494 S 1 C/	70 0 miles 1 fe

TIN (5 per torne)

M ZINC, special high

Soit	Doy's	High	Low	Vici	Open let
119.75	-	-	-	717	233
118.40	+0.85	115.50	116.36	362	3,050
115.00	-0.50	115.60	113.80	4,056	14,938
112.10	-0.50	113,00	113.00	38	891
111.15	-0.55	111,30	110.40	571	6,585
110.25	-0.35	109.86	109.80	2	675
• • • • • • • • • • • • • • • • • • • •	-			6,380	30,917

PRECIO	US META	LS.	
	ULLION MARK d by N M Roth		
Gold(Tray az)	\$ price	\$ equity	SFr equiv
Close	392,00-392,50		
Opening	390,50-390,90		
Morning for	390.55		491.220
Afternoon fix	390.55	252,963	489.633
Day's High	392,00-392,50		
	390,30-320,50		
Previous close	391,10-391:50		

revious close 391.10		•	
coo Ldo Mess Gold month	6 6 mont 1 12 mon 2	A.36	
pot	346.65	US cts equiv. 533.50 539,85	
months mortus	365.75 365.05	916.25 559.75	-

\$ price 392-395

Gold Coins

_	_	•	+0.4	_	low	Vol.	NA 10,448	-
). 	380.9 -382.5	+0,4	-	_	-	_	September 1995 Berlin
	Ang Oct	394.4 397.5	+0.4 +0.5		354	Ses	83,906 6,870	. Ang
7	- Duc Feb	400.5 403.4	+0.5	401.5 402.6			55,085 6,262	H ₂
	Total					-	153,122	The
	M PL	ATRIUM 1		403.9		_	20,010	- 2
_	Oct	406.5	+0.7	407.0	405.5	40	5,004	Sup
	-Jun Age	400.5	+0.7	418.5		187	1,027	
3	Tutal			~ 4.50			77,884	
	Jin PA	LLADIUM			132.00		1,030	Tes
	Sep	133,30	+4.10	123,75	132.00	1,840	7,074	
_	Dec Total	134.40	+6.10	135,00	133.50	21 3,243	560 9,664	Sap
		VER CO	AEX (5,				_	III Jel September 1 Jel Septem
	May Jon	. 531.7 538.1	+61	534.0 532.0	530.D 532.D	12	40	24
	Sep	540.3 545.8	+6.0	542.0 547.5	531.0 537.0	10,420	93,071 18,831	Tee
	Dec.	554.1 589.2	+63	556.0	545.B		10,114	-
_	-		700	-	3000	440	- Aprile	-
								Jan.
•								Tight
)								
		ERGY UDE OF	was	· · ·				Jai
_		Sett	Day's	(1,000	Contract	190	Opin	Sep
		-	دومدك	_		W		=
1	1	19.10	-0.83	20.10 18.37	19.06	65,266 26,071	50,082	Tol
	Oct		-0.64 -0.46	18.85	18.35	13,086 4,468	25,330	-
	Any Sep Oct Mar Dec Total	18.13	-0.47 -0.40	18.22	18.13	2,957 3,978	20,950 34,644	A
_	Tested				1	18.075	104,322	Oct
	E CH	UDE OIL	Day's	DETTEG	_		Goon	Dec Jus
٠.		price	فينحث		Les	Well	ink	Their
	Jaf Ang Sup Col. Hor Dac	17.80 17.51	-0.64	18.05 17.71	17.80 17.46	14,801		- 21
	Sep	17.32	-0.43 -0.47	17,39	17.20	2348	14,901	7-
_	iler	16.95	-0.36	16.85	16.90	1,361	4,885	Dal
	THAT	16.50	-42	10.00	10.00	N/A	WA	Dec.
	11 15	ATINO O	-	X (42,00	0 US gal	e; cas		Tetr
		Sett. price	Day's chaoge		Low	Yes	Open	ALL AND
	Juni Juni Ang Sap Dick	51.00 51.10	-3.96 -1.97	\$2.25 \$1.70	51.00 51.00	8,717 14,644	5,818	Nor Her
_	Ang	51.30	-1.E -0.97	\$1.90	51.20 51.70	4,673	14,256	Apr
62	Oct	52.35	-1.12	52.00	52.90	300		Total
_	Herr Total	53.00	-0.57	325		32,383	8,036 96,636	
1	M GA	Of PE	6/max					大子 四十十四十二
25		Set	Deg's change	-	Low	Vel	Open let	Jei Det
30 20 20 27 35 55	Jan.	183.50	-225	164.25	162.50	4,840	14,153	Jes Acr
n 5	Jail Anns	160.50	-1,50	160.50 180.50	158.25	1,071	12,346	Teta
5	Sep	159,75		150.00 150.00		124	5,032	明
	New Todal	160.50			160,00	59	1,507	
		TURAL G	AS IMM	Ex neu		12,276 10.; S/m		FUT
		Self	Day's				Open	· AF
èv	ы.		champt consc		Low 2.365	Voi:	14 270	_
٠	Amp	2435 -	0.634	2445	2.415	4,577	20,831	۰
3	Acry Sep Oct	2.405 · 2.380 ·		2.410	2375	2,165 1,861	15,817	7
3	iller .		-0.023 -0.015		2.465	884	9,737	l W
	Total					25,123		85
36		EX (42,000			a)			is st gi
10		Set	Day's				Open	in
<i>t</i> ,		price (-3.45		LOW 50.85	14.538	5,934	田の日本人の年
	, mar.		984	PA AA		-		3
	A	54.00 54.50 54.50	-2.30 . 1,70 :	和第	57.30 58.60-	1,296	4.408	
	Oct.	54.50 53.00	-0.95	\$5.00 33.65	54.50 52.70	140	1,954	7
	Total					16.45E		
								- 1

E W	EAT LC	E GE nou	tonnel				■ COC	DALC	(£/max	and a			
	Sett	Day's		_	-	Ones.			Day's			_	Open
		change		1	Vel	Open Sal			-	Mgk	Low	Val	
-		-1.75			251	1,501	May	1077		1030	1030	13	
Sep Tou		-0.20		112.10	10 218	2 509	Jul Sup	1077		1077		4,087	
A		-0.25			65	679	Dec	1/036		1040		1,404	
Jai Sap Har Jan Mar Mar Tabal	117.75	-0.50	118.25	118.00	15	305		1027		1027		1,584	37,93
Ney Tari	119.65	-0.35	120.50	130.00	14 272	87 6.197	Hay Total	1036	+8	1036	1026	250 13,176	19,85
E W	EAT CE	T /S OOM	in mir	r canta	SOR by	Ander	E COC	OA CG	CE (10 t	OFFICE S			100
Jan 1				520.00			12	1376	_	1383		10,800	24.40
Sup Duc				523.00			3m	1393		1395		2,201	
Dec	531.50			530.00			Sup Dec	1414		1420		1,372	
	537.00 495.00			530.00 490.00	502 48	2,315 133	Mer May	1434		1435	1407		13,51
New Jel		+0.50			121	1.610	34	1462		1423	1423	1/0	
Total					33,998	67,197	Total					15,004	92,46
E MA	EZE CBT	(5,000	bu min	; cents/	561b bu	ahd)	# COC	OA (ICC	XXI EX	S TORR	ej		
Jaj				407.00			Hay 30			Price		Frag	
Sip	400.00	+7.50	400.30	391.00 348.25	21,095	67,807	Daily			1030.00	1	108	58.85
-				353.00			E COF	FF1C	E (S/Inn	-44			
Sep Disc Siles Siley July Total	582.00	+5.75	363,00	358.00	290	3,546		1805		1892	1840	122	60
H	350.00	+4.00	361.00	356.00	515 11,9123	3,913	May Jul	1805		1816		2,063	
	RLEY LC	5 Pr 100	* 1000		11,312		Step	1783		1799	1778	734	7,60
	108.50					53	Mor	1774		1791	1770	322 23	1,75
-		-0.25	107.50	107.50	10	662	Jen The	1722		1745	1745	125	91
Jan.	110.00	-	-	-	15	133	Tetal						24,52
Sign Sign Sign Sign Sign Tabal	114.00	_	_	-	-	41	E COF	FEE 'C'	CSCE (37,500k	ber; cen		
Tale					4	886	Jul		+0.25				
# 30	786.25 786.25 786.25 786.75 751.50 758.75 786.25	S COT F	5,000bi	mit; con	=600 b		Sep Dec	115.35	-0.15	116.40		370	3,34
lel .	780.25	+1.75	790.50	753,00	22,800	82,094	Mar	113.00	+8.55	11125	11249	15	99
	764.75	-2m	783.00	778.50	3,088	14,454 6 825	May Total	112.00	+0.75	11225	112.25	7,305	33
	751.50	-4.50	73BL00	745.00	29,195	85,920	E COF	FEE (IC)	Of AUS c	ents/po	und)		
-	798.75	-125	764.50	754.00	244	7,270	May 50					Pres.	day
					-	nes Land	Comp. Co			105.12			15.55
R 80	YABEAN	QL C	ST (BQ/	000bs	cente/to	<u>*</u>	15 day 2	-		- 1050,70		*1	10.33
Ang Cap Cat Cat Cat	26.43	-0.37				41,404	E WHI	E SUG	AR LOE	(Srtone	e)	_	
Aug San	28.77		27.09			6,379	=	376.8		378.0	374.0	154	11,04
Oct	28.00	-0.38	27.17	26,93	870	4,958	Desi Des	342.2	+2.1	330.0	340.0	83	6,08
Dec June	27.17		27.54 27.30			20,783 1,684		327.5	+1.4	33E.0	325.5	72 286	3.62
Total					11,811	90,176	May May ANS	327.0	+1.5	327.0	324.5	94	1,53
B 80	YABEAN	MEAL	CBT (1	DO tons	S/ton)		700g Total	225.0	+3.1	328.0	325.0	73 N/A	583
Andi Andi Sept Ond	240.7			239.0			E SUG	11 94	CSCE	112,000	lbs, ce		
	240.5	+0.2	241.0 239.3	239.0 237.0	2,380	11,775 7,856		11.21	+0.19	11.32			
Del	235.5	+0.5	236.5	233	487	3,684	Jul Oct	10.54	+0.13	10.86	10.56 10.48	3,035	39,26
Desc James	234.9	+02 -05	236.2	232.9	3,798	20,362	Har Hay Jul	10.61	+0.11	10.61	10.47	1,295	23,55
Tetal	200.00	-0.3	2000		19,500		34	10.52	+0.07	10.54	10.40	51B	7,59
E PO	TATOES	LOE	DITTE				Oct Total	10.46	+0.05	10.35	10.35	334 12,930	3,10
		-745.0	_		_	-	E 0011	COM ANY	CE 60	900ber			i dell'i de
Jeer Nor Her	85.0 110.0	+2.5	-	-	-	-		_	+0.86	_	78.76		23.45
Acer	129.5	+5.2	132.0	126.0	139	1,178	Jul Oct	78.78	+0.73	79.15	78.70	2,193	4,81
No.	138.5	+25	137.0	137.0	-	1	Dec	78.90		78.90	78.30	13,550	28,23 5,10
Total	-	10000	~-	ina-	107	1,540	Mar	79.85 80.35		79.85 80.35	80.00	861	2.047
PH	EIGHT (6		_				Dec Her Her Jel Tribal	30.67		80.80	80.35	380	94
	1259	-1	1359	1355	31	536	Total					7.222	57.26

SOFTS

+18 +7 +10

+1 1359 1355 +18 1268 1255 +7 1230 1219 +16 1335 1330 +1 1345 1345

ء ا	dest .
	e peoper market was generally quiet this
	sek, reports Man Production. Prices for Vist-
	m black softened as demend disappeared. It
ls.	reported that already 9,000 tonne have been
	id/exported since February. Most other ori-
	ns namelined steedy, despite lack of business.
	hits peoper prices eased with harvest periods
	Indonesia and China approaching. Also Mel-
-	sia was slowly coming out with new crop
	fors. Muntok white papper FAQ, spot, \$83,450 a tome, August/December shipment
	1,375; Vietnam black FAQ, apot, \$2,175, July/
	gust shipment \$2,100. Caspin, pimento,
2	oves, ginger and nutmeg prices were all
.5	May Bridge strict untrivial bulcan minn mi

VOLUME DATA Open interest and Volume data shown for
contracts traded on COMEX, NYMEX, CBT, NYCE, CME, CSCE and IPE Crude Oil are one day in arrears. Volume & Open Interest totals are for all traded months.
NDICES REUTERS (Bases: 18/9/51=100)

M ORANGE JUICE NYCE (15,000fcs; perts/bs)

INDICE	S		
	S (Base: 18	/9/S1=100)	_
May 21 2106.6	May 30 2118.7	2117.2	2308.8
E CRE Put	ares (Bayer	1967=100)	
May 20 252.25	253.87	month ago 256.09	year age
■ GSCI Sp			
May 30	May 29	month ago	Acces, with

	LIBAT AND ADDRESS.
-TS GOA LCE (E/torne)	MEAT AND LIVESTOCK LIVE CATTLE CME (40.000lbs; cents/tos)
Suit Day's Open	Set Bay's Open
price change light law Wel int	Price change High Low Vol let
1077 +46 1030 1030 13 21 1077 +2 1077 1080 4,087 19,816	Aug 64.525 +0.775 64.575 63.350 6.363 31.454
1096 +5 1099 1081 1,543 46,106 1036 +5 1040 1025 1,404 31,156	Det 65.825 +0.600 65.700 64.750 2,578 22,076 Dec 63.375 +0.550 63.400 62.675 1,186 11,285
1027 +6 1027 1016 1,584 37,539 1036 +8 1036 1026 250 19,857	Feb 62.775 +0.525 62.800 62.100 617 9.823 Apr 65.850 +0.300 65.900 65.450 606 2.791
11,176 165,100	Time: 3,354 19,397
COA CGCE (10 tonnes; \$/tonnes)	LIVE HOOS CME (40,000lbs; cents/ba)
1376 +35 1383 1341 10,800 24,489 1393 +35 1383 1361 2,201 20,253	Jun 61,875 +0.050 62,300 61,225 3,539 8,946 Jul 58,225 +0.500 58,700 57,500 4,462 9,443
1414 +34 1420 1384 1,372 17,898 1434 +34 1438 1407 542 13,514	http://dx.dex.org/li> 54,050 +0.275 54,550 53,500 1,926 6,580 0et 49,200 +0.350 49,750 48,625 655 5,847
1449 +30 1429 1429 178 6,113	Date 51.700 +0.500 51.000 50.050 1,012 5,604
1462 430 1 5,629 15,694 92,403	Feb. 71.950 +0.600 72.200 71.200 121 1,251 Tabel 11,786 35,675
COA (ICCC) (SOR's/tome)	PORK BELLIES CME (40,000/bs; cents/bs)
Price Prev. day	Hely 88.725 -2 90 500 88.725 40 12 July 79.600 -1.2 81.050 78.606 563 5.702
	Aug 77.650 -0.725 79.200 76.750 970 2.529 Reb 73.225 +1.775 73.450 71.550 261 685
1805 -47 1892 1840 122 609	Mar 73.900 +1.65 74.050 72.000 6 39
1805 - 1816 1800 2,063 14,156	Nay 74 450 +1.95 72.750 72.750 12 46 Tetal 1,212 8,012
1783 - 1799 1778 734 7,600 1774 +1 1791 1770 322 3,294	
1752 +6 1750 1743 23 1,758 1722 +4 1745 1745 125 919	LONDON TRADED OPTIONS
1,285 24,529	Strike grice \$ tongs — Calls — Puts — M. ALLIMBUUM
FFEE 'C' CSCE (37,500lbs; cents/fee)	(RR.7%) LME Jun Sep Jun Sep
115.35 +0.15 116.40 115.10 1,924 7.278	1500
11145 -0.20 114.50 113.25 370 3,347 173.00 +0.55 113.25 112.40 15 988	1700
112.00 +0.75 112.25 112.25 21 333 7,904 25,871	(Grade A) LIME Jun Sep Jun Sep
FFEE (ICO) (US cents/pound)	2400
Prov. day 105.12 105.55	2500
105.12 105.55 109.76 110.33	1900 30 111 125 228
TTE SUGAR LCE (Stonne)	2000 18 64 207 301
376.8 +2.7 378.0 374.0 154 11,046 342.2 +2.1 342.5 340.0 83 6.085	# COCOA LCE Jul Sep Jul Sep 875
332.1 +0.1 330.0 329.5 72 3,871	900
3276 +1.4 328.0 325.5 286 3.527 327.0 +1.6 327.0 324.5 94 1,536	■ BRENT CRUDE IPE
228.0 +3.1 328.0 325.0 73 585 MA N/A	Jul Aug Jul Aug 1800 28 38 - 80
GAR +11" CSCE (112,000/bs; cents/fbs)	1850 10 10 10 10 10 10 10 10 10 10 10 10 10
11.21 +0.19 11.32 10.96 7,363 56,734 10.64 +0.13 10.66 10.46 3,035 39,265	LONDON SPOT MARKETS
10.61 +0.11 10.61 10.47 1,295 29.555 10.56 +0.11 10.96 10.43 389 8.749	■ CRUDE Oil FOS (per barrel) +or-
10.52 +0.07 10.54 10.40 518 7,897 10.46 +0.08 10.35 10.35 334 3,106	Dubei \$16.73-6.83s, +0.060 Brent Blend (detect) \$18.07-8.13
12,510 145,780	Branz Elland (July) \$17.85-7.87 -0.115
79.28 +0.88 79.35 79.76 7,794 21,454	W.T.I. \$19.77-9.78x -0.165 W. Oil PRODUCTS NWE prompt delivery CIF (conne)
78.78 +0.73 79.15 78.70 2.193 4,815	Premium Gasoline \$207-209 -1
78.90 +1.08 78.90 78.9013,550 28,233 79.85 +1.08 79.85 78.35 2,351 5,101	Gas OH \$167-170 -2 Heavy Fuel OH \$83-85
80.35 +0.68 80.35 80.00 861 2,047 20.67 +0.58 80.80 80.38 380 940	Naphtha \$184-186 -3.5 Jet fuel \$189-181
27,223 67,246 ANGE JUICE NYCE (15,000/bs; pents/bs)	Diesel \$168-169 -2 III NATURAL GAS (Perce/Inem)
124.00 +3.50 124.40 120.10 702 11.404	Bacton (Jun) 11.40-12.00 +0.55
121.90 +2.50 122.40 118.75 414 5,024 118.30 +2.15 118.90 118.00 75 1,587	Petroloum Argus. Tel. London (0171) 359 8792
116.75 +2.20 116.75 114.50 33 3,842	Gold (per troy co)\$ \$392,25 +0.90
118.50 +2.15 116.90 116.90 17 263 119.75 +2.20 150	Sever (per troy czyl 540.50c +3.00
1,598 22,288	Patinum (per troy oz.) \$399.25 -0.60 Paledium (per troy oz.) \$131.50 -0.25
	Copper 134,0c Leed (US prod.) 45,00c
	Tin (Kusia Lumpur) 15.51r
	Tin (New York) 291.50 -4.00 Cattle (tive weight) 99.39p +2.22*
	Sheep (tive weight) 143.15p -11.52* Pigs (tive weight) 120.03p -3.60*
UME DATA	Lon. day sugar (raw) \$288.7 +1.6
n interest and Volume data shown for mosts traded on COMEX, NYMEX, CST,	Lon. day sugar (visi) \$392.0 -0.5 Barley (Eng. feed) Unq
E, CME, CSCE and IPE Crude Oil are one	Make (US NoS Yellow) Unq Wheat (US Dark North) Unq
in arreers. Volume & Open Interest totale or all tracked months.	Rubber (Jun)♥ 103.75p
ICES	Rubber (ALI)♥ 103,75p Rubber (AL RSS No1) 383,00m
UTERS (Base: 19/9/51=100)	Coconut Oil (Philis 515.0v Paim Oil (Makey.) 5 \$505.0 -5.0
21 May 30 month ago year ago 6.6 2118.7 2117.2 2308.8	Copra (Philis \$521,0z
B Futures (Base: 1967=100)	Soyebeans (US) 219.0z +1.0 Cotton Outbook'A' Index 83.30c -0.65
20 May 29 month ago year ago 25 253.87 256.00 N/A	Vicologe (84s Super) 448o
CI Spot (Base: 1970=100)	E per tonne untere orbumites stated, p percentig, a certic/lo. r ringgilito, m kimipsam certaino, a heighbri, x Juli v Aori Neg. y Aprillam, w Junthal. W Lordon Physicial. S CF Rotardam. & Billion restrict close. " Change on week, 19aec on 1,720 head of pigs sold.
30 tiley 29 month ago year ago .98 207.10 209.33 180.46	Potterdem. & Buffon market close. * Change on west. †Based on 1,750 head of pigs sold.

WORLD BOND PRICES

MARKET REPORT

by Lisa Bransten in New York and Richard Lapper in London

Continued nervousness about the course of monetary policy and rumours of portfolio liquidations by large funds sent US Treasury prices sharply lower in early trading yesterday.

The yield on the benchmark 30-year bond spiked above 7 per cent at mid-morning, but by midday the market had regained its footing Just after about the long bond was off at 87% to yield 6.996 per cent. The two-year note was a weaker at 99%, yielding 6.271, per cent. The June 30-year Treasury bond future fell 4 to Treasury bond future fell & to

The yield curve that maps the yield spread between the two-year note and the long bond flattened by 2 basis. points to 73 basis points as the short end of the spectrum bore the brunt of yesterday's losses. The market traded lower nearly every session of this week amid comments from Federal Reserve officials that were interpreted as warnings that signs of economic strength might lead to a rise in interest rates in July.

Also weighing on yesterday's markets were rumours that Fidelity Investments, which runs the Magellan Fund, was selling Treasury strips. "The market trades like there are some liquidations but there's no way to say who it is," said Mr Kevin Sluder, a senior

Mr Revin Sinder, a senior fixed-income trader at First Chicago Securities.

Treasury bond and dollar weakness hit two of Europe's high-yielding European markets. The Spanish and Ralian June 10-year futures contracts both full above transfering of a both fell almost two-thirds of a point on the day. In the cash market 10-year yield spreads over Germany widened out by 5 and 7 basis points to 315 and 273 basis points respectively.

The mood in the US also spilled over into Germany, with yields on the 10-year, benchmark rising by 3 basis

benchmark rising by 3 basis points to close at 6.53 per cent. At Liffe the 10-year bund future lost 0.09 to 96.28.

Helped by the strength of sterling, gilts outperformed. The June 10-year long gilt settled at 105%, up å. In the cash market the 10-year yield spread of gilts over hunds narrowed by 5 basis points to 174. by 5 basis points to 174.

	Coupan	Red	Price	Day's change	Yield	Week ago	Month	
Amirala	10.000	02/06	106,8520	-0.140	8.95	8.82	8.97 6.53	
Austria	6.125	02/05	97,8400	-0.010	8.45	6.47	6.80	
Belgtum	7.000	05/08	101,8700	-0.120	6.73	8.86		
Canada	8.750	12/05	107.0600	-0.150	7.69	7.50	7.70	
	8.000	03/06	103,4800	_Q.080	7.48	7.36	7.20	
Prence BTAN	5.750	03/01	100,7500	-0.130	5.58	5.46	5.58	
	7.250	04/06	105.2800	-0.110	8.51	6.43	6.41	
Common Front	8.250	04/08	98,0200	-0.200	6.53	6.40	6.34	
Germany Bund		08/08	101,9000	-0.250	7.71	7.56	7.54	
	8.000	02/06	100,1800	-0.740	9.471	9.40	9.69	
Itely	9,500	06/01	119.2979	-0,200	2.32	2.28	2.41	
Japan No 140	8.600	09/05	98.8867	+0.320	3,18	324	3.31	
No 182	3.000		97,1200	-0.240	6.41	6.31	8.28	
Hetherlands	6,000	01/06	117.0900	-0.160	8.95	6.92	8.88	
Portugal :	11.875	02/05	87,2800	-0.460	9.23	9.09	9.09	
Spein	8.800	04/06	85,2466	+0,080	8.46	8.83	8,28	
Sweden	6.000	02/05	101-31	+1/32	7.48	7.40	7.39	
UK Gilbs	8.000	12/00		+5/32	8.15	6.05	8.00	
	7.500	12/06	95-18	+1/32	8.25	8,14	8.09	
	9.000	10/08	105-21	-5/32	6.86	6.66	6.52	
US Tresectly "	6.875	05/06	100-04	-6/32	8.99	6.84	6,78	
	6.000	02/26	87-21	-0.170	8.98	6.87	6.75	
ECU (French Govi)	7.500	04/05	103,3200	-4.170			الشادان ا	d

t Gross Probability withholding but at 10.5 per cent payeons by the State, US, UK in Street, others in decimal. MARGINED CURRENCY DEALING CALL TOLL-FREE

M Heroble managed accounts Limited Hability guaranteed ■ Lowest margin deposits (2%-5%)

Austria 0660 7480
Denmark 8007 0430
France 0690 6446
festard 1 800 559018
Noneay 800 1481
Spain 900 94814
Selected 155 3648
OR CALL Tensor Land 0800 49129016 Greece 00800 49129016 Italy 1678 70975 OR CALL DIRECT 16t (49) 40 301 676

UK

US RITEREST			y Billio	and Bond Yleids
Prime this pin	5): 5): ES /	The porth The porth St conft One per	5.17 5.38 5.75	Tata year
France				

	0	Pérs	Sett price	Change	High	LOW	Est. vol.	Open Int
Jun		3.48	123.32	+0.06	123.54	123,30	97,345	146,857
Sep .		1,90	121.82	+0.12	122.00		23,260	26,160
Dec	125	0.70	120.80	+0.10	120.80	120.56	2,166	9,508
Strike .	T-C-FEE	Has	CH BOND	_	(porter)		PUTS -	
Price	-	Jul	Au		Зер	Jul.	Aug	Sep
120		1.97			_	0.14	0.32	0.56
121 .		-	-		• '	0.30	0.58	0.84
122 .		D.49	. 0.8		.06	0.56	0.98	1,25
128		0.17			163	-	-	-
124		0.04	0.1	6 (1.36		-	-
Est. vot. to	mi, Cad	12,50	2 Page 10,5	58 . Previou	a day's ope	n im., Calls i	75,209 Pum	M,178 .
DEL WILL D		12,50	e rus iu _i a		a cell a cho			

Jun Sep	Open 96.54 95.54	Sett price 96.28 95.95	-0.1	5 96	igh 182 170	96.20 95.25	Est. vol 152376 63627	Open int. 108876 92839
m BUND Strike	PUTURES	OPTIONS (M250,00	0 points		PUTS -	
Price :	Jul	Aug	Sep	Dec	ليبل	Aug	Sep	Dec
9500 9550	0.72		1.21	1.17	0.37		1.08	1.57
9600	0.23	0.57	0.71	0.75	0.88		1.36	2.25
Bat. wol. 10		17 Puts 1380	D. Dronder	us derr'e c	MARKET PROPERTY.	Calls 1098	57 Page 100	277

15.96	Sett price 115.12	-	High	LOW	Est. vol	
			-4-4-			Open int
15.50	114.54	-0.71 -0.70	718,19 115,60	115.10 114.51	65745 19768	42815 21272
	Sep .	Dec		Sep		Date
				1.98		2.84 3.12
1	31	1.87		227		3.41
726	Pois 4984, P	tentous dity	8 open int.,	Cult. 34081	Pulp 27162	
	1	Sep 1.81 1.53 1.31	Sep Dec 1.61 2.30 1.53 2.08 1.31 1.87	Sep Dec 1.87 2.30 1.53 2.06 1.57 1.67	Sep CALLS Dec Sep 1.81 2.80 1.77 1.53 2.06 1.98 1.51 1.67 2.27	1.81 2.80 1.77 1.53 2.06 1.98 1.31 1.97 2.27

High Low Est. vol Open int.

MI NOTIONAL UK OILT PUTURES (LIFFE) \$50,000 32nds of 100%

E LONG	OUT PUT	URES OF	TIONS (L	PPE) 250,0	100 64ths	of 100%			US							
Strike			CALLS -				UTS -		UST	REASURY BO	שאט FUTU	RES (CBT)	\$100,000 3	2nds of 10	0%	
Price 104 105 106 Est. vol. 1	.1:06 0:36 0:14 del, Culta 84	Aug 1-31 0-63 0-39 Puts 1258	Sep 1-52 1-18 0-56 Previous s	2-02 1-39 1-16 day's open i	Jul 0-32 0-82 1-40 Inc., Calle 1	Aug 0-57 1-25 2-01 (47)(2 Puls	Sep 1-14 1-44 2-18 16990	2-28 3-01 3-42	Jun Sap Dec	Open 109-01 195-12 107-24	108-24 108-01 107-17	-0-02 -0-08 -0-07	High 109-01 108-16 107-29	106-16 107-28 107-13	Est. vol. 473,824 102,714 528	286,86 122,43 7,136

Jun Sep	Open 91.04 90.68	Sett price 90.80 90.36	-0.14 -0.14		Low Est. v 90.80 2,07 90.40 390	5,5	47									
FT-AC	CTUARIE	S FDŒ	INTER	est in	DICES											
Price Ind		May 3	Day's change		Accrued Interest	act ect.					May 31					
1 Up to	5 years (22)	120.98	0.05	120.6	2.14	4.26	5 yes	7.60	7.60	7.85	7.84	7.64	7.86	7.75	7.74	7.71
	years (19)	143,49	0.16	143.20	1.49	5.64	15 yes	8.30	8.34	7.89	8.33	8.35	7,80	8.39	8.42	8.03
	15 years (9)	158.29	0.22	157.8	2.52	5,43	20 yrs	8.36	8.40	7.90	8.36	8.40	7.90	8.42	8,45	8.01
	emebles (5)	180.30	0,75	178.9	1,30	6.12	tred.†	8.36	8.43	7.87						
	ocks (SE)	139.65	0.14	139.46	1.96	5.12										
									- Inflath	on 5%		_	- Inflatio	n 10% -	_	
index-fin	book					_			31 Mar				31 ME			
8 Up to	5 years (1)	196.34	0.00	195.34	0.90	4,43	Up to 5 yr	2.	94 2	.90 5	1.09	1.	50 1	45 1	.55	
	5 years (11)	185.08	0.02	185.0	1.33	1.81	Over 5 ym	3.	87 3	.87 :	1.55	3.	.86 3	.66 3	.36	
	ocks (T2)	165.21	0.00	185.18	1.32	1.86										

FT FIXED H	MER	EST	NDIC	ES					G	ILT	EDG	ED	ACT	TVITY	INDICE	S					
	May 31	May 3	10 May 2	May 26	May 2	4 Yr ago	High	Low	_					Many 30	May 29	May	58	May !	24	May 2	2_
Grovt. Secs. (UK) Placed Interest * for 1988. Government 15/19/25 and Fried In	111.60 nl Secutio	111.8	111.75	111.88 ration: 127.	A 00001	113,96			5-	t Edge day av a high s	erege			99.0 94.9 87 (21/01/94	125.4 93.6 9. low 50.53 (76. 94, 09/01/75	2	87.1 97.1	3	96.0 96.0 ent Sec	5
UK GILTS	PRICE	ES																			
Ma		YM _	Price £ + o	1 r Ngs	996 Low		Not		Web!	Meet	+#-	High	1996		Notes		7042 [2] F	l estr	+01-		_ 1988 إليا
Shorter (Lines up to Fig. Trees 2pc 1896	99 Years) 0.91		218[3	1 218() 1 1001	2156	Trees 73 ₂ pc 2 Trees 73 ₂ pc 2	2008±±	_ 786 _ 7.99			44	10133 103%	964	45pc '98; 25pc '01.	#	1.50		112¶3		113/4 160-k	111

Mar	in	144	Price C	+65-		MB	Notes	16	neki	Pripari	+#-	High	996	Notes	m'	(2) I	Price C	+ W -	High	190
Sheets" (Liver on to Fire Y							Treat 71-30 200611	786	8.14	1513 td	+6	10133	9412	Index Littles Co.						
Trees 2cc 1896	0.91	5.98	2181	وثب	2180	2156		7.90	218	952		103%	984	45ac 38# (135.6)	1.50	294	11213	-4	113/	1114
Chemistra 10pc 1996	9.63	5.97	1015	-4	1934	1015	Trees &pc 2002-8##	148	2.18	.99		1042	973	Z ¹ 200 01	3.20	3.73	17832	-	1804	1764
Trees 134pc 1997\$\$	12.68	8.02	10433	-	1073	10435	Tree: 11 kgs 2003-7	9.86	2.00	-		1252		21200 'C3(78.6)	1.17	3.78			1764	1713
Beh 10 200 1997	10.19	6.11	103	~	704	1034					-		110/3	47 ₆ pc '04‡‡(135.5] 2ac 16(69.5)	3.53	3.82	1812		11642	1121
Trees Car 7pc 1987	6.85	633	10055	_	10:3	100%	True Nove 2007 #	1.30	827	102		10051	IDI	29c T6(69.5) 2 ¹ -pc V9(78.8)	351	115	1624	-4	18545 1874	1791
Trees 8 type 1997##	851	6.37	1026	-	104%	1026	Time 13/2pc 2004-6	10.32	BOT	130[[13513	1301	Z ² epc 1174.6	3.64	3.56		3	173	108.2
Each 1500 1987	13.45	6.31	1112	-4	11433 1063	1111	Towns Rac 2008 ##	8.57	823	10543	43	11217	105	21-nc 1369.21	160		13743	34	143	138.7
Engli 9%pc 1906	7.19	6.72	1007	7	1822	100%	Trees bpc 2000	3,10	8.27	98	+3	TOAL	9621	71200 16 81.6	371	3.87 3.80	14812	-	1524	145
True 5% pt 1955-5011	8.74	5.67	1003	7	101	982	Trees & 1/4 or 2010	7.67	1.23	1212	+2	882	813	2 pc 2083.0	2.74	3.69	14015	44-190	146	138
Trees 157202 2811	13.11	5.34	1182	1	122A	118					-			2 2 24 (97.7)	1.73	3.57	116,7		122	115,3
Bris 120c 1998	10.80	7.00	1113	-7		1114								42pc 30#(135.1)	3.74	3.88	1144	_	120%	113
True 97200 100000	5.90	7.07	1056		1082	1054								Prospective real reden	min :	ada no	omise	eteci in	Bation	ol (II
Trees Film Ratio 1999		-		=	1002	9912								10% and (2) 5%. (b) F						
Exte 123 apr 1986	10.87	7.15		-4	11571	1129								indexing (le 8 months p						
Times 103-ac 1995	3.68	7.15	1004	_	1124	1983	DESCRIPTION NAMED			-				reflect rebasing of RP						
Trees duc 1998 ##	6.21	7.20	36/3	+4	2033	96	Coox Spc Ln 2011 #	2.57	133	-		1122		factor 3.945. RPI for Se	Plemb	T 1995	: 150.6	and k	r April	1996
Coursesion 10 ² epc 1999_	5,43	7.32	1084	_	71245	10813	Tress Sec 2012##	8.62	3.35	105}}	+14	1132	1043	152.6.						
Comer 8pc 2000 +	8.57	7.40	1054	-	1001	104號		7.17	8.12	1691	434	824	75%							
Times 13pc 2000	10.52	7.48	1185	÷	124班	1167	Treas Boc 2013tt	6.29	8.37	10613	+14	10317	8512							
Trans 14pc 1996-1	12.39		1134		1198	1137	Tree 73 pt. 2012-15#4_	8.24	LE	944		10113	9313	Other Fixed L	der	est				
Tress 8pc 2000‡\$	7.85		(01 55 m)		1057	1017	Trees 8pg 2015	8.29	LE				B5/1							
Trees 10pc 2001	9.16	7.00	108,5	-72	114	1097														-
							Ings 83cpc 2017;;;	8.46	8.61	1032		1113%	19212	Metes			Price C			296
							Each 12pc 2013-17	9.10	8,47	lang.		1413	130[]		int	Red	LIEST	+6-	High	D.
							Trees Spc 2021	0.08	8.35	90°	+3	257	8533	Asian Day 104gpc 2009	9.08	8.58	712%	-13	120	1112
			-											B 100m 11 lone 2012	8.48	9.00	1214	-45	120	1191
Plea to Fillnes Years														tretand Can 81-pc 10	8.04			_	105%	1053
Times 7pc 2001 \$4	7.21	7.86	97点	*7	101	9612								900 Cap 1895	8.65	-	104		104	104
Times 91upc 2002	R III		100%	-4	1147	1087								13pc '87-2	11,72	-	110%	M-044-	110%	1107
Tinges Apr. 2003;;;	7.96		邻基础		10513		2444							Hydro Quebec 15ps 2011	10.44	8.46	143	-33		142
Trans 10pc 2005	0.00	7.93	11114		117.	IIU s	Corrects And	9.50			-7	COST	407.	Leeds 13 ¹ 2pc 2006	10.35	-	130	-	136 ¹ 2	12
Trans 11 2pc 2001-1	10.03	7.75	1140		71512	114,4		-	_	Q.	+4	50[]	467	Liverpool 312pc land	3,09	-	3812		41	30
Funding 31 ₂₀ 1000-4	4.40	8.83	7945	+%	437	70%	War Loan 3 ³ 200##	2.34	-	417	+4	4512	412	LCC 3pc 730 Att	9.09		33		- 35	224
Carrondon 8 ³ 200 2004	8.76	8.07	108/2		1142	1073	ON 3 PE 21 NJ	5.87	-	50%	→	8214	53.74	Manchester 11 200 2007.	9.70	8.90	118-2		12412	117
Times 64-pc 20044	7.34	8.06	- 92	**	9632	318 4800	Trees apc 108 Alt	8.48	-	22.7	-38	30/4	345	Mel. Wr. Spc B'	4.00	7.95 4.53	13715		76	731
Court 9 1/2 pt 2005	8.75 10.05	8,10 8,06	108°s	7	114銭	1221	Carmola 24goc	\$.22	-	3013	+41	3214	25%	H'veide Angita 375pc 2021 . 44apo B. 2024		4.53	137-2		1414	1304
Trees 12120c 2003-6	1000 8.20		127.5	7	TOTAL	1817	7mm, 21-cc	2.34	_	292	+16	121		Util Mar States 161-20: 2008	12.79	~~	129		1364	122
Trigge 2 1/202 2006##											-				1000	_		-2	-30-3	164
· Tap' stock, ## Tan-in	6 10 DE	an-resid	MIS CIT	apple	DOIL E	والعميد	n 2004, as at decemb. Of Constant from Brok	of Eart	mar pili	ring art		at poly	OF PE	THE STATE OF STOCK						

Number One Southwark Bridge, London SE1 9HL Tel: +44 171-873 3000 Telex: 922186 Fax: +44 171-407 5700

Saturday June 1 1996

High peaks, big risks

When Ms Susan Phillips, a governor of the US Federal Reserve, expressed worries about inflation earlier this week, it looked briefly as though Wall Street might finally crack. In the event, bonds and equities quickly regained their composure. There have been many such brief and nervous twitches in the course of the year. But while the respect accorded to pronouncements from anywhere near Mr Alan Greenspan's office borders on the reverential at present, the revellers at Wall Street's party know no defer-ence, even towards the Fed.

Another curiosity of current market behaviour is that official data provide so much that appears to run against the grain of the ective movements of bonds and equities. The big story of the past five months has been the resurgence of inflationary fears, which has caused the yield on the US long bond to rise to just under seven per cent. There it dithers, waiting for news that would justify a decisive move in the direction of inflationary gloom.

In the real economy, meantime, there is no overwhelming worry for bonds. This week, the Commerce Department revised its growth estimates downwards to an annualised rate of 23 per cent in the first quarter, compared with the earlier reported figure of 2.8 per cent. The chief reason for the revision was that inventories showed their first quarterly fall for four years, indicating that the inventory correction is over.

This admittedly means that growth in the second quarter is likely to be more buoyant as companies have to produce more to meet a given level of consumer demand. Figures for new house sales this week also pointed upwards, which in turn raised the possibility of more pressure on wages. That, of course, is one of the Fed's biggest fears; and a better indication of future trends will have to wait for next week's emplovment data.

Conventional wisdom

Yet in an economy which has seen very high levels of invest-ment and improved productivity, it is hard to believe that labour market pressures will be acute this year. Nor is it inevitable, if growth from the second quarter follows conventional wisdom in running at an annualised 21/-3 per cent, that the Fed will feel obliged to tighten monetary policy before November's presidential election.

Some, it is true, worry about the growth of the money numbers; and there are great uncertainties about the nature of the official flows between Japan and the US. But on the assumption that the Fed continues to neutralise the impact on US monetary policy of the Bank of Japan's dollar purchases and sales, the question about money and inflation will be resolved at home.

Here the important point is that if people save rather than spend the excess liquidity, the outcome is more likely to be soaring asse prices than a surge in the general price level. And asset price inflation, propelled by the mutual fund ment, is very much what Wall Street is all about.

Upward sweep

The annualised rate of growth of mutual fund assets in three months to the end of March was more than 50 per cent, which is heady stuff. The upward sweep of equity prices, which are still close to peak historic levels, has also shown no deference to the bond market, where weakness might normally have been expected to put a brake on events.

Apologists for the present level of the market point out that in terms of prices and earnings, the current valuation is far from its historic peak. What they overlook is that peak historical levels are usually reached only when an economy is roaring ahead.

In one that is growing pretty much in line with its long run growth potential, today's price earnings ratios do look very demanding. Dividend yields, which are only a little over two per cent on the Dow Jones Industrial Average, are at genuinely low historic levels. Where valua-tion yardsticks based on replacement costs are used, the market is at its highest level for decades.

The trouble with arguments about valuation is that markets often remain overvalued for months or even years. In essence, the assertion that Wall Street is overvalued is a statement about the level of risk, not about where things will go next,

What can be said with certainty is that the mutual fund investors who are buying at today's levels will enjoy very low long-run returns, when measured by historical yardsticks - a point that applies, though with rather less force, to UK equities at their pres-

One moral is that a reversal of the present asset price inflation poses a greater threat to the wealth of US households than a resurgence of general inflation. Another is that a fortune teller on the nearest seaside pier may provide a better guide to when inves-tors will finally grasp this point than the most sophisticated

the Likud faithful lost party faithful lost their heads on elec-tion night, Mr Ben-jamin Netanyahu, Israel's next prime minister, kept his cool. Early returns and exit polls showed Mr Shimon Peres, the prime minister, with a narrow lead over the rightwing Likud leader, sending his election headquarters in Tel Aviv into despair. Grown men wept and party officials gave hasty interviews on television lashing out at the US for interfering in the election terms of the transcript of the second of the transcript of transcript of the transcript of the transcript of transcript of

tion to support Mr Peres. Mr Netanyahu, 46, staying at a easide Tel Aviv hotel with his wife. broke his self-imposed vow of silence to rally his depressed sup-porters. Dressed in a dark suit, he livered a calm, reassuring mes sage. "It is still early. The night is long. We need to be patient. There

are no final results yet. The race is very, very close," he said. Within hours, Mr Netanyahu, known in Israel as "Bibi", had pulled ahead of Mr Peres. And yesterday, after the last ballots were counted, he emerged as the winner wafer-thin margin of less than 29,500 votes over Mr Peres.

No personal quality, except per-haps his ruthless ambition and self-confidence, is more responsible for his victory than his ability to stay cool under pressure. It is a quality he has shown time and again as an army commando; as Israeli ambassador to the United Nations during Israel's disastrous 1982 invasion of Lebanon; as the country's chief spokesman in the Gulf war when Iraqi Scud missiles threatened Israel's self-confidence; and from 1993 as Likud leader after his meteoric rise over more experi

enced rightwing politicians.
It is a quality which has been seriously underestimated by his many critics, who portray him as an unprincipled opportunist, long on style, short on substance and with dubious judgment. The judg ment question was raised in the only televised election campaign debate when Mr Netanyahu was asked about his behaviour in "Bibi-gate", the scandal of his marital infidelity which erupted two months before the Likud leadership

"As an officer at a very young age I made life and death decisions," Mr Netanyahu barked back, before imitting he had made a mistake during Bibigate by rushing to confess his adultery on prime-time television because of rumours of a compromising videotape that turned out not to exist. Then, going on the offensive, he said: "But the mistake Mr Peres made, that he is making now, that he made in the last four years, hurts the whole people of Israel. People here live in fear. The whole country lives in fear.

The message that the peace process has failed to deliver security, and that only by resurrecting a garrison state can Israel move towards a genuinely secure peace, is behind Mr Netanyahu's comeback from a 20-point deficit in the opinion polls four months ago.

When Yigal Amir, a rightwing Jewish extremist, assassinated Yitzhak Rabin, the former prime minister, in November Mr Netanyahu's prospects of becoming prime minis-ter seemed bleak. The right wing was blamed by many Israelis for its part in creating the climate of hate leading up to the assassination; and Mr Peres, who took over the pre-miership, soured in the polls. But then Hamas, the Palestinian IslamMan in the News · Benjamin Netanyahu

Life and death decisions for a former commando

A fighter to the last, Israel's next prime minister has demonstrated the value of a cool head, says Julian Ozanne



ist group, killed 59 Israelis in four suicide bomb attacks in February and March. The attacks wiped out Mr Peres's lead and played into the hands of Mr Netanyahii.

He prevented the eruption of antigovernment demonstrations by Likud supporters and appealed for calm in a time of national crisis. He even addressed Mr Peres, 26 years his senior, as "Shimon" and offered his help in strong anti-terror

At the same time, Mr Netanyahu was skilfully persuading the fractious right wing to unite behind his candidacy for the premiership. He swallowed his pride to make up with Mr David Levy, the former Likud foreign minister, whom he

had accused of being behind the conspiracy to discredit him during "Bibigate". When the united rightwing bloc was announced in March it quickly became apparent that almost a dozen Likud members of parliament would be sacrificed to accommodate other right-wing groups in an electoral pact. Many party members condemned this as naked opportunism but a large majority eventually endorsed it as.

the only way to unseat Mr Peres. Mr Netanyahu's tactics have been vindicated. So have his skills as Israel's great communicator. His campaign was well focused on a sinsie issue; the government had subcontracted Israelis' security to Yassir Arafat, the Palestinian

president. Only by taking security into their own hands would a rea peace, free from terror, be possible. Now he will need all his skills as a political negotiator and communi cator to reassure a deeply divided country, and an outside world worried about the impact of his hard-

line policies on an unstable region. The challenge is formidable. Mr Netanyahu's fear-mongering and criticism of the peace process while in opposition now have to be translated into government policies. He must decide in days whether Israel will proceed with a military withdrawal from the West Bank town of Hebron as it is obliged to do under the Israeli-Palestinian peace accords, or risk a renewal of Arab deal with the Palestinian adminiswould not meet Mr Arafat.

calm the fears of israel's neighbours in the Middle East, a region he recently described as a "morass of depravity and duplicity". He must seek to assure western states and the US, Israel's staunchest ally, that their economic and diplomatic investment in the peace process is not at risk. He must quickly take steps to restore the confidence of foreign investors; they are fearful that a collapse of the peace process will slow Israel's economic growth and its integration into global markets. In short, says Mr Hemi Shalev an Israeli political commentator "He will have to convince the world that Israel is not about to turn itself in a dark, theocratic creature from the old Middle East."

Optimists say that although Mr Netanyahu has taken a hard line on the Arab-Israeli peace process, be knows that up to 70 per cent of Israelis support continuing the quest for peace. He also has solid credentials as a free marketeer com-

mitted to rapid liberalisation and privatisation of the economy.

Furthermore, the US-educated, tast-talking Mr Netanyahu is no Yitzhak Shamir, the gruff former Likud prime minister whose policles put Israel at loggerheads with Washington. Mr Netanyahu is as much at home in America as in Israel; he is used to being the darling of US television and will not want to be shunned by the White

reading of his stated policies towards Pales-tinians, Syria and the must take into account the fact that he is likely to be pulled rightwards by his own party and his coalition

Other members of his future gov ernment are even more opposed than he to a Palestinian state and to talks on Jerusalem - two of the most important issues Israel is committed to discussing with the Pale tinians. They are also united behind the resurrection of Greater Israel. keeping the West Bank and Gaza Strip under Israeli occupation and populated with Jewish residents.

There are extremists in Mr Netanyahu's own party, including Mr Ariel Sharon, a possible finance minister, who yesterday described Mr Arafat as a "murderer" and "war criminal" and said Isrsel would not honour its commitment to withdraw from Hebron.

The make-up of the coalition dims the hope that Mr Netanyahu will moderate his policies towards peace a fact recognised by Mr Ahmed
 Qurie, the Palestinian architect of the peace process. "It is most worri some that Netanyahu will be surrounded by a team hostile to the peace process. The region will return to a state of tension and violence, maybe wars, if a new israeli team headed by Netanyahu imple ment their campaign slogans."

The composition of the coalition is also unlikely to allow him to meet the urgent need for spending cuts. Ultra-orthodox and new immigrants' parties will demand money

Squaring these competing demands while preventing Israel's return to confrontation and isolation will test Mr Netanyahu's coolness under pressure as never

LETTERS TO THE EDITOR

Number One Southwark Bridge, London SEI 9FIL

We are keen to encourage letters from readers around the world. Letters may be based to the Market of the control of the contr

Netanyahu will continue peace process after election befitting real democracy

From Mr Zolli Joffe. Sir, The Israeli public has had its say in an honourable and democratic manner befitting a real democracy. Some in Israel do not appreciate democracy when they lose. Mrs Rabin's statement to CNN that she will leave Israel if Benjamin Netanyahu wins is outrageous. Those who claim that Bibi won the election because of Rabin's murder are making a mockery of a tragedy that

devastated all of Israel. Israel, being a democracy, will not negate any of its international agreements (inclusive of "Oslo A" and "Oslo B"). Netanyahu will surprise those who fear his victory. Let us remember that it was Begin who signed the peace treaty with Egypt, it was Shamir who attended the Madrid conference. It will be Netanyahu who will bring peace with Syria as he will have the support of right and left.

All Israelis wish for peace. The peace process with Palestinian is irreversible. Democracy spoke. Letus give Bibi a chance. I know he will not disappoint us.

Zalli Jaffe, Zalli Jaffe & Co, Law offices. 31 Ramban Street, PO Box 7381. Jerusalem 91-073,

Tendency to secrecy would hinder free market in beef

From Mr Tony Clayton. Sir, Steven Carter's proposal (Letters, May 29) to label British beef and "let the market decide" sounds reasonable, but runs up against real political and practical

The beef crisis stems from ministers' failure to adopt proper labelling 10 years ago. Farmers sked for animal feed containing abattoir waste to be labelled, but the government gave in to the big companies, and blocked this safeguard in the name of deregulation. Some farmers whose cows were affected by BSE could not know what they were buying. We live in a country where

information is not valued in Whitehall. This week's milk scare has shown again that secrecy is its first instinct. Who would trust a UK government labelling scheme to

restore market confidence in the quality of anything? Perhaps the only m might do the trick, and be acceptable to xenophobic politicians, would be to dye beef for export red, white and blue!

75 Bayham Rd,

Cut ferries for benefit of shareholders

From Mr John Faber. Sir, The once important ferry service connecting Enkhuizen, in

North-Holland, with Stavoren, in Friesland, had to face up to the fact that an ever-increasing number of people preferred to take the Afsluitdijk route once the construction of this well-known dam was completed in 1932.

The ferry service accepted it and took the necessary measure cutting the frequency of the service. Today, there are just two lepartures a day (three during the summer). Any possible ideas of it staying competitive with the Afaluitdijk were dispelled ages ago. P&O and Stena would be wise to follow this example on the Dover-Calais route. For the benefit of their shareholders!

2717 BC Zoetermeer. César Franckrode 73, The Netherlands

Too much rhetoric and too little action by US over land mines

From Ms Ann Peters. Sir. As Nancy Dunce observed ("Clinton to work for an end to land mines", May 17), President Clinton has been strong on rhetoric in "launching an international effort to ban anti-personnel land mines". There was no need to launch an international effort. One has been ongoing for some time and growing in strength. Some 40 countries, including Germany, France and Canada, support an immediate and comprehensive ban on

anti-personnel land mines (APMs).

and millions of people around the world have signed petitions to that

President Clinton says the US will seek a global agreement to stop the use of all APMs. But why did the US not unilaterally ban the use - as well as production - of all APMs now rather than later? He could have relied on the advice of 15 high-ranking retired US military officers, including Gen Norman Schwartzkopf, commander of Operation Desert Storm, who urged him just a few weeks ago to ban

these weapons as a "humane and militarily responsible step". One problem with the US policy is

the continued belief that the limited military utility of land mines outweighs the greater humanitarian tragedies. President Clinton says self-destructing mines pose virtually no threat to civilian life once a battle is over". But such mines will still kill or main civilians for months after they are sown, and areas will remain off-limits until nune-clearers painstakingly prod the land to

ensure that none of these indiscriminate killers is active. It is unfortunate that the US, as well as the UK in its recent announcement on land mines, failed to lead the world with more far-reaching and concrete deeds rather than by

Ann Peters, research associate Human Rights Watch arms project, 33 Islington High St, London N1 9LH,

Capital stock 8.204,071,487,000 lire fully paid in Entered under No. 131/17 in the Company Register of the Court of Turin Tax LD, No. 90580600013

In accordance with the provisions of Articles 7 and 20 of the Regulations approved by the CONSOB with Resolution No. 5553 of November 14, 1991, the documents listed below have been deposited at the Company's registered office and corporate offices, located respectively at 15 Via S.Dalmazzo and 23 Via Belfiore, Turin, and at the headquarters and secondary office at 189 Via Flaminia, Rome, where the public may consult them or request a copy thereof:

Financial statements at December 31, 1995, report on operations from the Board of Directors, report of the Statutory Auditors, Independent Auditors' certificate and consolidated financial statements at December 31, 1995;

· Minutes of the Annual Shareholders' Meeting of May 3, 1996, approving the 1995 financial statements.

The above documents have also been deposited with the Stock Exchange Council, where they are available upon request.

Anyone who wishes to obtain additional information may call +39-6/36001273 or 36001274 or 36001275.

This notice is also available on the Internet at the following address: http://www.telecomitalia.it

The awkwardness starts with the handshake shake, the most basic of all political gestures. There is a split second of

Bob Dole's physical awkwardness contrasts with Bill Clinton's smooth campaigning, says Patti Waldmeir

good left arm, and the voter must decide.

Will he shake with his own left hand and suppress the natural reflex to grab the candidate's right, crippled by a war wound? Or will be choose the almost feminine gesture of holding hands, his right hand in the senator's left? Either way, a crucial split second of

hesitation every time: Senator

Bob Dole stretches out his

spontaneity is lost.

Compare the handshake of President Bill Clinton, the most famous in US politics. The anonymous author of the best-selling Washington novel Primary Colours has immortalised it, describing how Governor Jack Stanton, Clinton's fictional double, uses both hands to grab, stroke and pump.

to grab, stroke and pump.

"He's interested in you, he's honoured to meet you...[he] flatters you with the illusion of conspiracy," says the narrator, in words that capture the real-life president's technique. That grip is central to candidate Clinton's routine of political seduction. For Mr Dole, it is a

physical impossibility.

Yet the handshake is, strangely, almost as powerful a tool for the Republican senator as for his Democratic rival. It defines the central message of the senator's campaign: that he is not Mr Clinton. For many perhaps most — Republican voters, that is the main fact

that recommends him as president. The senator spent the past week underlining the difference on his first important campaign trip since announcing his forthcoming resignation from the Senate.

Mr Dole's aides have

accepted that their candidate's campaign will never have the qualities that his handshake lacks: passion, force and splitsecond timing. The stiffness in his body language goes well beyond his physical handicap. Almost everything about his performance is curiously. sometimes disarmingly, awkward. He is notoriously inarticulate: a campaign speech is an obstacle course littered with verbal hurdles over which to stumble. His rhetorical gestures are almost always mistimed. His speeches do not so much build up to a climax as sink to an end. He concluded one earlier this week with the stumning exclamation, "So". A man of wit and humour in

A man of wit and humour in private, candidate Dole's jokes seldom succeed. He has taken to saying on the stump that he wants to be president because "every country ought to have one". That is humour which strays into dangerously serious territory for voters who struggle to find any better reason why they should elect him.

His aides have no choice but



to make a virtue of these weaknesses. The Dole campaign spokesman, Nelson Warfield, celebrates the senator's stiffness as an asset. It proves that "Senator Dole has something Clinton doesn't authenticity", he says. At least in performance terms, that is obvious; no one could fake such awkdling his message of authenticity last week at a time when Mr Clinton was vulnerable on the veracity front. Before the senator's aircraft touched down in California – the most powerful American state electorally – a judge in Little Rock, Arkansas, announced the conviction of Mr Clinton's former business partners in the White-

overs before a change of gov-

ernment. Mr Robert Miller-

Bakewell, analyst at NatWest

Securities, says he expects

"companies to bid soon and hid

early to cut in on the process

before an autumn or a spring

There are also fears that the

industry regulator will take a

tougher approach to the water

companies - whether or not

there is a change of govern-

ment. Profits are still buoyant

water trial. Some voters obviously thought the verdict was tantamount to a declaration of no confidence in the truthfulness of the president, who gave testimony on the defendants' behalf but was not himself on trial.

On such a day, it was not difficult for Mr Dole to raise doubts about the president's character. He ridiculed Mr Clinton for making electoral promises he does not keep, managing to imply that the president was untrustworthy and deceitful, without ever mentioning Whitewater. It was a subtle form of character assassination, just the kind Mr Dole must use to close the gap in opinion poll support between himself and the president (a CNN poll published on Thursday showed that gap narrowing, but still gave Mr Clinton a 16 percentage point lead)

ton a 16 percentage point lead).

Mr Dole may ridicule Mr Clinton's ability to produce emotion on demand: but the ready tear in the presidential eye is likely to remain a big asset of the Clinton campaign.

Americans demand a level of sentimentality from their politicians that Europeans find cloying. Contemporary culture favours the earnest emotionalism of the president over the adult reticence of the senator.

the campaign trail this week. Mr Dole tried hard to over-come that, with mixed results. Rather than rush away from campaign ven-ues as in the past, the senator took time to press the flesh, to show the human side of the man who is to many just a personification of legislative Washington. But on Thursday, this strategy backfired rather badly: the senator spent the morning on walkabout, striding the pavements of Michigan Avenue in Chicago, the ritziest shopping district in the Midwest. He stopped at an Italian shoe shop to buy a handbag for his wife. It went fine. But the candidate went

straight on to the slums of south-west Chicago, where the window displays are invisible behind security grilles. He did not go there for a walkabout. He went to talk about domestic violence, oblivious to the fact that, by choosing an all-black neighbourhood for the event, he was delivering a subliminal insult to minorities.

It was as though he were saying only black people beat their wives, and he emphasised that message by explicitly blaming domestic violence on the welfare system, which primarily benefits black and Hispanic recipients. He was challenged by a Hispanic social worker who said such violence knew no colour but the purple of wifely bruises. Mr Dole mumbled something to concur, but the damage was done.

He sought refuge in his motorcade, only to have second thoughts and emerge to shake a few black hands to match the white ones on Michigan Aveit: unlike the president, who would have spent his time publicly bonding with the victims of domestic violence, candidate Dole could not feel the neighbourhood's pain, or even pretend to do so. He shook the hand of a man who said he was jobless, but then could find little to say to him. Within moments, he was back in the motorcade, and gone.

Such are the moments when stiffness is a handicap, not an asset. There are times when just being the anti-Clinton is not enough.

The water sector's share price sparkle may be short-term, warn Leyla Boulton and Jane Martinson

When politics and regulation surface

ater company executives recall with fond nostalgia how their business used to be known as the "silent industry". These days the roar is deafaning.

days the roar is deafaning.

Privatised in 1989, the water and sewerage companies of England and Wales have been in the headlines ever since details emerged of large pay increases paid to top executives. But last summer's water shortages – caused by a mixture of drought and had management – have redoubled the criticism of the companies.

With fears that such sentiments will encourage a crackdown by the industry regulator or a future Labour government, water company shares have recently turned in a lacklustre performance. But this week, a flurry of takeover bids and rumours has driven up share prices and reswakened interest in the sector.

"At the moment, the focus is on takeover activity, the results and good dividends," says Ms Angela Whelan, water analyst at Crédit Lyonnais Laing, the stockbroker.

Since January, water shares have been underperforming against the stock market as a whole – falling 10 per cent below the stock market average in April. This has encouraged companies to announce higher-than-expected dividends in an industry that has in any case offered higher yields than most other sectors. The sector's prospective yield for 1996-97 is forecast to be about 55 per cent higher than the

arket average.

On Tuesday, Scottish Power, the electricity company, announced a £1.5bn bid for Southern Water, which was followed closely by a higher offer from Southern Electric Shares in the sector shot up on the news that water companies were now the targets for other utility companies – raising the prospect of greater interest from abroad and a wholesale restructuring of the industry. This appears temporarily to have outweighed fears of increasing political or regula-

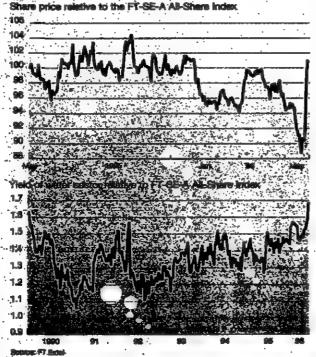
increasing pointeal or regulatory intervention which have been holding back the sector. The main fear has been the possibility of a Labour victory in the next general election, which must be before May 22. Labour has made frequent attacks on "fat cat" executive pay and hig profits in all the privatised utilities. And it has talked of introducing a one-off

"windfall" tax on profits.
For the water companies, the party is considering fines on companies that fall to supply water and an adequate service.
A report to the party's National Policy Forum earlier this month argued for curbs on profits to replace price caps. And the party has called for a moratorium on mergers while companies sort out supply problems after last summer's

drought.

Some industry executives argue the party's bark may be worse than its bite. Mr Chris Mellor, finance director of Anglian Water, which supplies eastern England, says Labour politicians "when confronted

UK water sector: bubbling up



with the reality of power...will make the right decisions – which may be different from what they've said in opposition." And Mr Lakis Athanasiou, analyst at UBS, the stockbroker, believes the market has been "over-indulg-

ing in political risk".

But others believe Labour might throw obstacles in the way of mergers. They see the current round of activity as an attempt to push through take-

with expectations of further share buy-backs high. When it became clear last

year that the power companies were subject to a price cap that had turned out more generous than anticipated, Prof Stephen Littlechild, the electricity regulator, forced through bigger price cuts. More recently, Ms Clare Spottiswoode, the gas regulator, imposed much tougher price controls on the companies that will be formed by the demerger of British Gas. Mr Brian Staples, chief executive of United Utilities, a company which supplies water, electricity, gas and telephone services, says Ms Spottiswoode had sent "cold shivers down everybody's back".

However, "too much can be read across from gas", according to a' water analyst who declined to be named. Mr lan Byatt, director-general of Ofwat, the water regulator, has so far been the most consistent of the regulators.

But Mr Byatt has stepped up pressure on companies to improve service to customers after last year's water shortages. On Thursday, he called for more generous compensation when supplies dry up. And he said most companies had falled to do enough to tackle leakage from their pipes, losing an average of 25 per cent of their supplies last summer.

their supplies last summer.

His officials warned that companies which fail to reduce leakage to acceptable levels will not get permission to raise prices to finance new investment. While the next review is not due until 2005, he has the

option of a mid-term review at the end of the decade.

Ms Dilys Plant of Ofwat says customers cannot be expected to pick up the bill for incompetent management: "A lot of companies didn't get their supply and demand forecasts right. These companies carry some risk and if they don't get everything right they can't come back to us and say please can we have some more money."

it is last summer's drought that has finally started to shake up the industry's management. The board at Yorkshire Water stepped down after its failure to plan for adequate supplies which led it to bring water in by road tanker at a cost of £47m. And South West Water replaced a top executive after difficulties with supplies and losing its fight with the regulators over its price cap.

Mr Mellor from Anglian, a company praised by the government and Ofwat for its drought management, says the crisis had driven the industry to place more emphasis on pleasing the customer. "The penalties for not doing that have been huge, with boards disappearing and so on," he

Pressure on the companies to improve their performance both for shareholders and customers is unlikely to abate. The bid speculation and the forthcoming profits announcements are expected keep the share prices up in the short term. But in the longer term political and regulatory concerns are likely to resurface.

A dangerous country to do business in

A wave of kidnappings has hit the Philippine capital Manila

ourists and business executives arriving at Manila's international airport will soon be given a standard safety leaflet. The advice sheet, which is being drawn up by the Ministry of Tourism, will tall visitors how to avoid being kidnapped during their stay in the

Philippines.

Among other tips, the new arrivals will be warned to avoid certain types of taxis, to refrain from getting out of the car if it has been bumped by a vehicle from behind and to avoid conspicuous displays of wealth.

Sensible advice anywhere in the world, it might be supposed. But in the Philippines – recently rated as the most dangerous country in east Asia to do business by the Political & Economic Risk Consultancy in Hong Kong – the kidnapping racket has become something of an institution.

There have been over 600 kidnappings since 1993 according to official statistics, and hundreds more if independent monitoring groups are to be believed.

What the Hong Kong consultancy failed to mention, however, was that almost all the victims are of Chinese origin. Making up about 2 per cent of the Philippines' 68m population but accounting for 60 per cent of its wealth by stock market capitalisation, Chinese-Filipinos are the prime target for kidnapping syndicates oper-ating in Manila. The Chinese tendency to invest in liquid ssets and their dominance in the banking sector heighten their attractiveness to organised and money-hungry ran-

Mistrust of the local police most Chinese are convinced
that corrupt police officers
take a cut from kidnapping
revenues - means that few
cases make it on to police
records. "It is a catch-22 situation," said Mr William Chua, a
partner in the Yorac Arroyo &
Chua law chambers and a Chinese-Filipino. "What is the
point of complaining to your
kidnappers about being kidnapped? That is just tempting

Mr Chua, who is typical of middle-class Chinese in Manila in forbidding his children to leave home without armed protection, shares the widespread view that the authorities will do little to crack the syndicates while it remains a predominately Chinese problem.

The last time an American was kidnapped for money in Manila was almost 10 years ago. The response was swift and punitive. Within 24 hours, the victim had been freed. His captors were executed on the

probably it the tunto to build basically targetted at one specific group in Manila," says Mr
Adrian Thorpe, British ambassador to the Philippines. "We don't think there is any cause a discounts mer will be sutumn.

British businessmen have 24hour security guards at their residences. I think that is quite a sensible practice."

a sensible practice."

At the Saviour School in Manila's Greenhills – one of the many suburbs for the rich surrounded by barbed wire and known as "golden ghettos" – school closing time is a high-security manoeuvre. Dozens of the school's Chinese and Filipino pupils are picked up by discreetly armed guards in dark glasses and forbidding

scowls.

Precautions for adults are almost as stringent. "My first rule is only to visit Manila when it is absolutely necessary," says Mr Benson Dakay, head of Shemberg Corporation, the country's largest seaweed exporter based in Cebu, central Philippines.

"Second, only come to Manila on unscheduled flights. And third, vary my routes from the airport, vary where I stay and minimise the number of people I inform."

Ms Teresita Ang See, head of a Chinese anti-kidnapping group and target of several aborted abductions herself, believes there will be no end to the kidnapping problem until the police is reformed root and branch. Kidnapping syndicates, she says, have become so confident that they are starting to accept cheques from their Chinese victims in lieu of ran-

som cash.

Ms Ang See is viewed askance by the authorities, but Mr Robert Barbers, a former police colonel and newly appointed secretary of the interior, appears to be heeding her advice.

"We believe Manila is as safe a city as any other – which is not to say that there aren't any scallywags in the police," he says. "In my first month, I have removed 150 detectives for corruption. We intend to continue rooting them out wherever they are."

With foreign direct investment increasing by 40 per cent a year, the kidnapping wave has evidently not stopped businesses from putting capital into the Philippines' growing economy. Among leading foreign investors, the Taiwanese have not yet been deterred from investing in the Philippines by the abduction of several of their compatriots – most recently the 18-year-old son of a diplomat who was released last month for a ransom of im pesos (\$40,000).

Failure to stem the problem,

however, could cast a pall over the country's otherwise impressive economic turnaround. "Chinese-Filipinos are not going to start switching their capital from real estate investments to more productive manufacturing-type ventures until they feel a lot more secure," says Mr Chua.

"Whichever way you look at it, ignoring the concerns of the country's most dynamic business community cannot make good business sense."

Edward Luce

ike Alimond set off from London yesterday evening with his wife and nine-year-old son for their regular trip through the Channel tunnel to their cottage near Boulogne in France. Mr Alimond uses the tunnel most weekends and is one of 100,000 Eurotunnel customers to make at least six annual crossings. As a Eurotunnel share-

As a Eurotunnel share-holder, Mr Allmond gets a 50 per cent reduction on the ticket price and is a dedicated user of the service after years of suffering what he describes as the overcrowding and inconvenience of the ferries.

He needs no convincing of

the tunnel's attractions, but other travellers clearly do: from today, Eurotunnel, the tunnel operator, is seeking to lure extra customers with new discount fares. Earlier claims that it would

earner claims that it would not descend to a price war have been dropped. The company is now slugging it out with the ferries in the bargain basement in an attempt to pay off its \$25m (\$120m) debt.

Holiday motorists from the UK planning their fortnight in the sun this summer will have an unprecedented choice of cut-price travel deals and duty-free offers. Travellers will also have the pick of up to 60 ferry sallings a day and more than 100 "shuttle" train departures through the tunnel.

Travel agents have welcomed the boost that the price cuts will give to the French holiday market, despite the fact that lower fares will mean lower commission earnings. "If this were a normal year, I would be unhappy but France is struggling because of the strength of the franc. This will

ager for Thomas Cook.

The bargain tunnel price that caught the headline writers' eyes was the £49 per car offer available to day-trippers who are prepared to board the shuttle train at 6am and return by midnight. For those who want to leave home in daylight, the day-return price rises

give France a kick-start," says

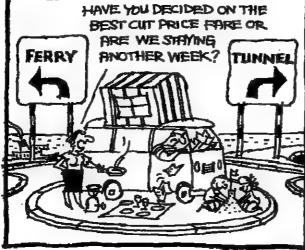
Mr Cris Rees, commercial man-

At least a quarter of travellers who use the shuttle do so to buy duty-free or cheap drinks and cigarettes, frequently travelling from points as far away as Exeter, Manchester and Liverpool. "We have expanded the market for duty-free trips," says Mr Dominic Fry, Eurotunnel's communications director.

to £59.

But the main target of Eurotunnel's present discount offer is not the "booze cruise" voyager but the family holidaymaker. Such travellers are now being offered an economy fare of £109 if they are prepared to set off between 10pm and 6am, rising to £129 for travel after 6am, compared with the previ-

ous price of £256.
"The real meat is the two-week traveller," says Mr Fry.
"People do go across on the shuttle for dinner in Paris but three-quarters of our custom-



ers are going on holiday."

For the traveller who is prepared to book 14 days in advance, there is an Apex fare for \$39, regardless of the time

P&O and Stena, the tunnel's two main ferry rivals on the Dover-Calais route, have dismissed its latest price reductions. They claim that while some ferry brochure prices may be higher their special offers and in some instances their regular fares still undercut Eurotunnel.

"They've come down to the fares we were offering anyway and on the key fares we are still cheaper," says Mr Brian

Reece of Stena, which is offering a day-trip rate of £15 per car plus £1 per passenger until the end of June, when rates rise to £19 per car and £4 per passenger. For the two-week holidaymaker, Stena still offers the best rate of £98.

Meanwhile, P&O has a £16 fare for a car with driver for day frips. Its standard return fares start at £149 but are now approaching their high-season rates of £255.

Ticket prices help to per-

Ticket prices help to persuade travellers to choose either tunnel or farry but duty-and tax-free sales provide another important incentive. Eurotunnel, which is not

allowed to sell duty-free goods on its trains but can do so at its terminals, slashed prices by one-third last September. It has expanded the duty-free

It has expanded the duty-free sales areas at its terminals and introduced a range of VAT-free items as well. A litre of Gilbey's Gin sells for £4.65 compared with the average high street price of £14.15.

Once on the shuttle train,

the traveller experiences a very spartan service, waiting in or beside his car in a brightly lit aluminium box, although Eurotunnel is considering installing interactive terminals to allow travellers to place duty-free orders. But the ferries too are con-

tinually improving the quality of service. Stena is spending EBm on upgrading the Stena Emperor, which is to be moved from the Baltic to the Channel next month.

But financing these improve-

ments is difficult while the ferry companies remain locked in competition with each other. As a result, P&O, which claims 33 per cent of the Channel market, applied to the government last month for permission to reopen talks about merging its cross-Channel operations, but denied it had a specific partner in mino.

Stena, which would be an obvious ally, says it has no need of a partner following the end of its long-standing agreement with SNAT, the French state-owned ferry company.

But the ferry companies will not be able to continue indefinitely with the present number of daily sailings. P&O's firstquarter earnings were badly affected by competition from the tunnel, and both companies depend on duty-free sales rather than ticket revenues for any profits they do make.

Eurotunnel has stopped publishing market-share figures because they caused disputes with ferries over accuracy but it does still claim "undisputed" leadership of the market. The ferries say the tunnel peaked at 45 per cent of traffic at the end of last year and has since fallen back to 35-40 per cent.

the tunnel have plenty of spare capacity, provided their pricing policies can persuade more travellers to use them at quiet times. Because it has to share capacity in the tunnel with freight services and the Eurostar long-distance expresses, Eurotunnel is restricted to four departures of its car and passenger shuttle trains an hour but says that is sufficient.

For the ferries the opportunities to make further price reductions while maintaining profitability have probably been exhausted. But the tunnel, which cost a lot to build but is relatively cheap to run, could reap benefits from attracting more travellers with additional fare cuts. There is a good chance that the discounts on offer for the summer will be continued into the autumn.

CURRENCIES AND MONEY

MARKETS REPORT

Mighty Pound

Sterling was yesterday the toast of the currency markets after another strong performance saw it finish the week with substantial gains against both the D-Mark and the dol-

The pound closed in London at DM2.3666 against the D-Mark, 3½ prennigs up on the close a week previously of DM2.3319. Against the dollar it closed at \$1.5494, from \$1.5129. The closing prices on Thursday were DM2.3515 and \$1.5346.

The trade weighted index finished at 86.3, up from 83.5 a month previously.

Unusually, sterling's rally came against the background of a correction in the dollar. of a correction in the dollar which closed at DM1.5275 and Y108.1, off intra-day highs of DM1.5355 and Y108.6. Most of the time sterling takes its lead

from the dollar. in Europe with currencies

(Pesc) (PS) (CS) Pesc) (S)

(AS) (ASS) (ASS) (Re) (Sh)()

- 1,2553 - 1,041600

1,5473 1,5467 2,1243 11,4943 1,5494

11.9885 54.2756 5.1108 187.400 3.8712 2.2804 40.5789 5.8108 2.1842 6.7554 1220.85 42.8825

CROSS RATES AND DERIVATIVES

100

DKr

18.77

17.40 9.370 0.381 3.447 9.037 3.743 4.579 8.788 4.714 9.145 4.305 4.305 5.904 5.460 7.267

+0,0014 +0,0018 +0,0018

+0.0032

16.46 8.771

10 3.298 0.334 3.023 7.926 3.283 4.017 7.690 4.135 8.021 3.778 4.789 6.391

High 0.8545 0.6580 0.6613

0.6528 0.6537 0.6613

4.855

2.990 1 2.424 0.069 0.882 2.339 0.968 1.185 2.268 1.220 2.365 1.114 1.848 1.868

2.003 1,067

1,217 0,413 1 0,041 0,368 0,954 0,460 0,538 0,978 0,460 0,563 0,563 0,778

Nethera Norway Portuga Spek Sweden Sweden Sweden Bruizen America America America Massica Massica

Cerman Ireland Italy Netheric Norway Portaga Sweden Sweden UK Centeda US

mostly range-bound against the D-Mark.

■ Sterling's rally is essentially Sterling's rally is essentiatly a "catch-up" phenomenon. In recent months, high-yielding European currencies have rallied sharply, helped by the weakness of the D-Mark, and heightened optimism that the European single currency project will proceed. ect will proceed.

Gilts and sterling mostly missed out, but now appear to

- 7 ----- Prev. close --1.5495 1.5487 1.5474 1.5447] 1,5346 1,6327 1,5323 1.5207

be catching up. Mr Neil Mack-innon, chief economist at Citi-bank in London, reported cor-porate buying of sterling. He said a lot of fund managers also considered sterling under-valued. "They feel that with a lot of the devalues: like the lot of the devaluers, like the pesets and escudo, doing well

16.6703 16.5327
48.7722 48.2330
9.1498 9.0844
7.3189 7.2530
8.0241 7.2547
2.8698 2.3517
375.931 3829.97
0.4776 0.9738
2.359.71 2374.90
48.7722 48.2330
10.1705 10.0370
944.42 942.92
10.4374 10.3634
1.9414 1.9321

1,5498 1,5475 2,1252

1.9476

1,9416 1,9176 83,7107 83,7107 83,7107 83,7107 83,7107 8,1154 8,0911 197,570 195,201 3,8730 3,8730 2,2818 2,2488 40,4606 40,4609 8,5448 2,1866 2,1964 8,7028 8,7048

1.5276 2.1004 11.3596 1.5320

1.9176

8,8300 2,2488 40,4909 5,7488 2,1901 6,7025 1206,16 42,4585

16.6216 48.6237 9.1301 7.3058 8.0064 2.3617

0.9762 2405.64 48.6237 2.8469 10.1116 244.673 200.066 10.4284 1.954

1.254

2.1236

5.444 2.901

3.508 1.121 2.716 0.111 1 2.622 1.068 1.328 2.544 1.366 2.653 1.246 1.713 1.864 2.114

Open int.

79,916 6,303 1,436

41,991 4,214 866

20.77 11.07

12.62 4.277 10.37 0.422 3.815 10 4.142 6.088 8.708 5.216 10.12 4.786 6.583 8.064

Sep.

501,3 267.1

204.6 109.3 10.18 62.06 241.4 100. 122.3 284.2 125.9 244.5 1157.7 146.9 194.7

409.6 218.4

244.0 204.6 8.327 75.27 75.27 197.3 81.74 100. 191.5 102.9 198.7 94.02 126.9 126.9

21.40

13.00 4.408 10.69 0.436 3.531 10.31 4.259 5.223 10 5.378 10.43 4.911 6.733 6.227 8.511

1.5454 1.5430

+0,0116 +0,0112 +0,0078

4921 2622

Est, val 33,776 1,502 266

19,019 1,047 26

16.5466 48.4137 9.0973 7.5007 7.9785 2.3512

0.9780 HULL 48.4127 2.6832 10.0824

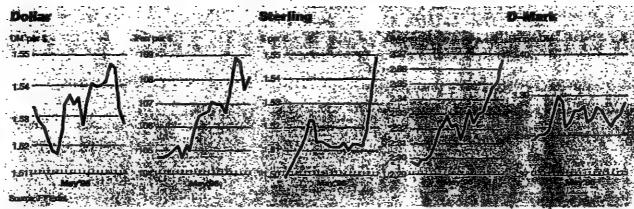
245.578 200.581 10.43 1.3212

-2.1 -1.9 -0.1

#0.1001 45E + 40.03773 851 - 40.0822 414 + 40.0537 074 + 40.0586 160 + 40.0151 753 - 40.0204 510 + 4

+0.0147 467 - 479 +0.0175 469 - 475 +0.0241 E34 - 220 +0.0776 874 - 011 +0.0148 #00 - 466

+0.0115 394 - 416 +0.1151 948 - 924 +0.5031 517 - 995 +0.005 099 - 146 +2.397 370 - 811 +0.0354 594 - 730 +0.0354 789 - 818 +0.403 909 - 808 +0.0554 091 - 128 +0.0199 869 - 808 +0.0415 496 - 128 +0.4127 639 - 018 +0.4127 639 - 018 +0.4137 639 - 018 +0.4137 639 - 018 +0.4137 639 - 018 +0.4137 639 - 018 +0.4137 639 - 018 +0.4137 639 - 018 +0.4137 639 - 018 +0.4137 639 - 018



against the D-Mark, sterling can join the party."

He said that sterling had benefited from the coat-tails of the dollar, a widening rate gap compared to Germany, and a fairly relaxed attitude on the part of investors to a possible change in convenience.

change in government.

The technical outlook for sterling is good. Ms Francoise Skelley, technical analyst at Credit Suisse in London, said that sterling had formed "quite a big base" this week, which meant that the medium term target was now for DM2.46/7.

47.3937 8.964 7.8456 2.3008

0.9871 2474.44 47.4937 2.674 9.9967

202.216 10.4323 1.8035

2.7 2.1

0.9 -0.2 2.5 1.4 1.2

-1.2 0.0 4.6

TOA.8 108.3 107.2 82.8 109.0 108.1 108.1 108.3 108.3 98.3 88.3 111.2 88.3

34,0 97.0

1362

3.991 2.121

2.419 0.820 1.906 0.051 0.731 1.917 0.971 1.880 1 1.940 0.913 1.252 1.156

2,082 1,093

1,247 0,423 1,025 0,042 0,577 0,986 0,400 0,516 0,516 1 0,471 0,646 0,597

High 0.9276 0.9420 0.9486

Low 0.9245 0.9361 0.9486

4.359 2.323

2.648 0.896 2.176 0.699 0.899 1.064 2.036 1.095 2.134 1.571 1.299 1.692

3.179 1.894

1.891 0.865 1.567 0.005 0.584 1.531 0.894 0.776 1.485 0.798 1.549 0.728

2.575 1.372

1,565 0,530 1,266 0,062 0,473 1,240 0,626 1,203 0,647 1,266 0,691 0,810 0,746

Iteland Beigland Germent Austrie Portugal Plance Desimari

NON ERM MEN Greece Impy UK (Ess central rates a Persentage change ratio becades here i for a currence, and

in processing.

Strice Price 1,460 1,510 1,510 1,520 1,530

343.7; 183.2

200.8 70.79 171,6 6.965 63.14 165,5 66.96 88.98 160.6 86.34 167,5 78.86 100.1

Est, vol. Open int. 35,781 77,138 1,326 7,231 835 3,112

59,414 2,947 61

Sterling also broke a 14 month downtrend against the dollar during the week at \$1.525 and is 11.5m.

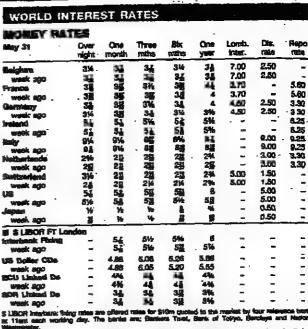
Mr MacKinnon that there were longer term concerns about sterling. He said unbalanced economic growth over the next twelve months, driven by consumer spending rather than investment, could widen the trade gap. This would be aggravated if sterling's strength undermined the competitiveness of UK exports.

DOLLAR SPOT

Although the short term out-look is good, Mr MacKinnon said "a lot of leading fund managers intend to stick with a mm-term bear view.

As for the dollar, Mr MacKin non said it had suffered a "key weekly reversal", a besrish technical signal. Ms Skelley, however, believes that the dol-lar is merely experiencing a correction within a bullish trend which remains intact.
Interestingly, consensus forecasts supplied by Consensus
Economics are that the dollar

m One intriguing theory that surfaced yesterday concarned a possible joint application by Sweden, Italy and Finland for early ERM entry. Mr Ray Attrill, analyst at 4CAST in London, said that the "obvious implication" of a joint meeting involving the titree countries in the run-up to the Florence G-7 summit later this month was that they alamned to discuss central parities for posable joint ERM entry/reentry. theory that will be trading at DML527 and



EURO CURRENCY INTEREST RATES

Beiglen Franc S& Durish Krone/ Sta D-Mark 31s	- 34 3	2 - 34 2 - 34	3% - 3% 3% - 3% 3Å - 3Å	3,2 · 3,4 4 · 3/2	3년 - 3년 4월 - 3년	315 - 315 415 - 425
Swims France 21/2 Can. Com. 41/2 US Defer 8/2 Refer Line 90/3 Ten. 41/2 Asian 38ing 27/3	- 314 3 - 647 7 - 748 7 - 8 (13 - 310 14 - 718 14 - 6 14 - 6 15 - 6 16 - 6 17 - 6 17 - 6 18 - 6 18 - 6 18 - 6 18 - 6 18 - 6 18 - 718 18 - 718	303 - 324 231 - 324 231 - 324 232 - 234 233 - 234 234 - 244 244 - 444 245 - 244 246 - 246 246 - 246	3.6 · 3.6 255 · 259 265 · 259 7.6 · 7.6 7.6 · 7.6 7.6 · 7.6 6.6 · 2.6 2.6 · 2.6 4.4 · 4.9 5.2 · 5.5 6.5 · 5.4 6.5 · 2.6 6.6 · 2.6 6.7 · 2.6 6.7 · 2.6 6.7 · 2.6 6.7 · 2.6	323 - 324 4 5 4 5 4 5 4 5 4 5 5 5 5 5 5 5 5 5 5	34 - 34 22 - 23 44 - 32 75 - 74 54 - 24 24 - 24 24 - 24 24 - 24

Auseria Belgium Dermiekt Peland France Germiny Losersto Hetheria Norway Post Spain Swiden Swi 10.7480 31.4500 5.9026 4.7200 5.1765 1.5276 1547.95 31.4500 1.7117 6.5319 157.840 128.925 6.7208 1.2523 1.5494 0.09130 10,7285 31,395 5,995 4,7135 6,1896 1,225 249,285 1,594 31,397 1,7084 81,397 1,7084 157,965 129,175 6,7409 1,2485 1,5485 1,5485 - 801 - 700 - 087 - 225 - 775 - 890 - 900 - 120 - 343 - 840 - 960 - 545 - 545 - 546 - 547 \$1,5880 5,9853 4,7425 5,1986 1,5370 \$1.26 5.6781 4.7016 5.1553 1.5192 31,4300 5,8900 4,712 5,1730 1,5263 1,5263 1,240,220 1,5730 1,7090 1,544,500 1,57450 1, 30,74 6,8091 4,658, 5,0673 1,491 360,59 1,5804 1606,45 30,61 1,5804 160,69 181,145 6,8003 1,245 1,5438 1,2466 1,5370 243,910 1,5900 1852,50 31,5960 1,7201 6,5850 168,100 129,510 6,7855 1,2621 1,5500 246,615 1,5869 1565,56 81,2905 1,7012 6,5284 158,545 129,605 6,7583 1,2413 1,278 (Peec) (PdS) (CS) (CS) (Peec) (S) 0,9967 0,9969 1,3711 7,4165 0.9985 0.9985 1.3726 7.4210 985 985 713 +0.0018 990 -+0.0026 708 --0.021 100 -0.9973 1,3700 7,4180 1.374 9.5265 -0.0046 mm = +0.0005 370 - -0.01 300 - -0.008 989 - +0.5 080 - +0.0082 712 - +0.0082 712 - -0.001 502 - -0.001 502 - -0.000 602 - -0.002 720 - +0.00 1,2549 7,7362 35,18 1.2578 7.74 35,485 1.2765 7.767 36.965 1.2688 1.000 7.7800 7.7370 36.2300 8.4300 3.2966 3.2954 108.550 107.550 2.5010 2.4680 1.4723 1.4712 58.2400 28.1400 3.7304 3.7502 1.4127 1.4068 4.3700 4.3550 789.800 787.900 27.7360 27.6730 25.3300 27.6730 - 360 - 360 - 300 - 002 - 150 - 960 - 728 - 400 - 504 - 102 - 650 - 650 - 820 7,7376 35,0300 3,2966 106,100 2,4966 1,4717 26,1900 17,700 17,700 767,960 27,6770 26,5190 107.666 2.4994 1.4748 -0.4 -0.4 -2.5 -0.1 -0.1 3.0 -13.1 5.0 -1.1 -2.4 -0.1 2.7 2.529 1,5082 8.7546 1,3747 4,885 9.7506 1.4052 4.4075 3.7515 1.4002 4.4675 27.882 -0.2 25.4177 -4.7

EMS EUROPEAN CURRENCY UNIT RATES

	Open	Sett price	Change	High.	Low	Est. vol.	Ope
Jun	96.01	95.98	-0.01	98.02	95.98	13,004	67.
Sep	96.00	95.95	-0.04	95.02	95.95	11,577	50.
Dac	96.89	96.83	-0.04	95,91	95.83	3.445	32

7104	E MONTH	UNDERAFE	PUTTING	LIFFE	DM1m pok	ts of 100%	
	Open	Sett price	Change	High	· Low	Box. Vol	Ори
Jun	98.68	96,68	-	96.70	0.0	16422	171
Вер -	98.72	96.89	40.70	95.74	98.89	21401	25
Dec	98.54	98.51	-0,01	96.58	RS.80	24097	20
Mar	98.25	96,25	-0.01	96.28	98.22	10079	18
7757	MONTH!	UNOLUKA	California .	(LIPPE) L1	000m poin		٠.
	Open	Sett price	Charge	High	LOW	Est, voi	Ope
Jun	91.31	91.14	-0.14	91.30	91.10	12768	47
5ep	91.93	91.74	-0.18	01 07	21.72	18964	41
Dec	92.22	62.04	-0.15	82.25	82.03	5965	29
Mar	92.25	92.07	-0.14	100	92,07	1852	12
STATE	MONTH!	sumo snine	6 FRANC		(LIPPE) SE	rim points	of 10
	Open	Sett price	Charge	High		' But. voi	Ope
Jun."	. 97.45	97,45	+0.02	97.4B	87.43	8096	21
Sep .	97.38	W	HO.GS	87,48	97,35	3658	32
Dec	97.19	97.16	+0.01	97,23	27.15	2206	13
Mar		95.89	+0.61	98,94	96.89	364	5
a Tiefs	E MONTH	HUROYES P) פשועדט	UPPE) Y10	Om points	of 100%	
	Open	Sett price	Change	High	LOW	Est. vol	Ope
án '	99.39	99.40	+0.01	99.40	99.39	68	1
Вер	99.33	99.25	+0.05	99.23	99.23	10	1
Dec	98.95	99.97	+0.08	96.97	96.86	1152	- 1
	MINISTER I			Eculm po	ints of 100		_
	Open	Set price	Change	High	LOW	Est. voi	Ope
J. Co.	95.62	96.57	-0.04	95,62	99.Bit	247	96
Sep	95,66	96.00	-0.05	95,67	95,59	567	48
Dec	95.57	95.48	-0.07	S-57	95,48	254	1
Mer	95,36	95.29	~0.06	95.35	95.29	58	1
" LIPPE fui	wed also frac	ed on APT		•			
6 Time	MONTH O	MAD DOLL	ru (may) s	im paints	of 100%		
	Open	Latest	Change	High	Low	Est. voi	Ope
Jun	194,40	94.48	-0.01	94.49	94.46	50,017	360
Bed .	94.24	94.22	-0.02	94.25	94.19	99,650	371
	E3.90	93.67	-0.02	98.90		200,205	

			-		_		- Paris		-	1.10	_
2.15214	2.14342	+0.00231	-0.41	1,94		Jun	94.40	94,48	-0.01	94,49	94
0.792214	0.790448	-0.001787	-0.22	1.75	2	Sep	94.24	94.22	-0.02	94.25	94
39,3960	39.3666	+0.0425	-0.07	1.60	1	000	E3.90	93.47	-0.02	98.90	91
1.91007	1,91536	+0.00209	0.26	1.25	-3	-	Services.	manar.	- Automatic	99,80	1946
13,4383	13,472	+0.0148	0.20	1.23	-2 .	E 100 79	MANUEY IN	a.a. marrie	eme diam e	tes nos 10	nnés.
195,792	197,085	-0.157	0.65	0.87	-4	1 =			me (man) d	tar per it	~~
6.40808	6,45481	+0.00714	1.25	0.30	-10	Marie .	94.96	94.95	-0.01	P4.96	94
7.28880	7,39711	+0.00675	1.59	0.00	-10	Sep.	94,72	94.70	-	94,78	
		:				Dez	94,48	94,46	_	94,46	94
ENABERS .						1	sternet Squ. av		e desi		_
292,867	302,663	-0.325	3,34	-1.78				- pane			
2108.15	1933.49	-5.85	-8.20	10.60	-	i					
0.780652	0.810618	-0.005299	3.05	-1.47	-	Į.					
		eresso befreque consego deviati m STOL Adjust		-		Strice Price	Jun		US		00% un
				_							
LITTER SEE E	3 OFFICER	\$31,250 (cent	s bar bonu	*		9680	91.0 22.0		0.24 0.3		
-	- CALLS			PUIS -		\$700	933	80.0	0.08 0.0		
Jan	Jul	P440	- Art	Jul	Aug		_	0.01	0.02 0.0		
4.32	4.36	4.51		0.06	0.28	HSC WAL TO	ani, Calle 5407 Stylens PRJ	PAR 3401.	Principle days	s open and	Cana
8.83	8.46	8.66	_	0.16	0.46	- 30770	SHIPS INC	OF OF IT	OME (LIFT)	जन ।।।। व	OTES (
2.43	2.63	2.94	0.08	0.34	0.72	Strike	-		LLB	-	
1.59	1.96	2.22	0.19	0.62	1.08	Price .	. Jür	· · · · S	ep, D		Jun
0.90	1.34	1.76	0.49	1.00	1.47	9780	0.07	0.1	16 0.1	16	0.12
		TOTAL STORY & STORY				9775	0.03				0.33
									evidus day's o		

Strike 1			CALLS -				UTS	
Price	Jun	Jul	Aug	Sep	Jun	أليال	Aug	
9680	0.19	0.22	0.24	0.25	0.00	0.08	0.05	- 1
9675	0.01	0.05	80.0	0.09	0.05	0.17	0.14	1
9700	0	0.01	0.02	0.02	0.32	0.32	0.33	-
Ret. wit. to BE SUPPLO	540 57756 PF	7 PAR 34 LANC OF	TIONS (L	dey's ope (FPE) SIF	n Inc., Cale 1m points	359557 F of 190%	tas 30300	
Strike Price	,		Sep -	Des	Jun		UTS	-
9750	0.0		0.15	0.16	0.12		27	0.
9775	0.0	g '	0.10	90.0	0.33	ă	46	a

LONDON MO	HEY PU	m =				,
14ay 21	Over- night	7 clays	One month	संभावत सामाधीक	SE; months	One year
Interbenik Sterling Sterling CDs Treasury Bills Bunk Bills	7 - 5%	614 - 676	에 - 의 어 - 의 의 - 의	당 - 8 당 - 8 5 - 8	64 - 64 64 - 64 54 - 55	61 - 61 61 - 61
	511 - 513 64 - 54	6년 - 8년 213 - 3년	6 - 57	64 - 61	64 - 58	64 - 64
LIK stemmig benir besø	lending rat	e d per cen	from Mans	h 6, 1996		
		Up to 1	1-3 month	3-8 months	6-9	9-12 Macel-6
Certs of fax dep (C10)	0.000)	212	812	6	5	44

	Open:	Sets price	-Charge	High	Low	Est. vol.	Open int.
Jun	93.90	93.90		95.91	98.90	3983	65253
Şep	93.81	93.77	-0,03	93,52	93.77	10985	85845
Des	93.50	93.56	-0.02	85.67	93.53	8725	71154
Mar	93.28	83,22	-0.03	\$3,29	93.22	5534	49096
		92.84 Open Interest 3 COPTHONE				3156	37955
Alog syndyd	on APT. AL		(LIFFE) CS	previous de	Ŋ.		37955
Also sended IN SHORT	on APT. AL	Open Interest S OPTIONS CAL	(LIPPE) CS	previous de	Ŋ.	N	37955 Dec
Alon tracked III SHORT Strike	ON APT. AL	Open Interest OPTIONS CALL Sep	LS	pre-love de 800,000 po lec	y. into of 100	PUTS -	
Alog staded IN SHORT Strike Price	ON APT. AL	CALL Sep	LS	produce de 600,000 po less 17	y. into of 100 Jun.	PUTS —	Dec

High	Low	Est. vol.	Open Int.	
95,91	93.90	3983	65253	
93,52	93.77	10985	85846	Ade
85.67	93.53	8725	71154	-
\$3,29	93.22	5534	49096	AE
92.91	92.83	3155	37955	el la
redpus	chay.			Bar
0,000	points of 100	96		Ber
		PUTS -		Bee
c	Jun	Sep	Dec	Bear
7	0.01	0.13	0.36	Ber
7	0.01 0.12	0.13	0.36	Ber
7 3 6				Ber Ber
6	0.12	0.27	0.53	Ber Ber Sit
6	0.12	0.27	0.53	Ber Ber Sit ettro
6	0.12	0.27	0.53	Ber Ber Sit

B	ASE LENDING RAT	ES
Adem & Company 6.00 Alle Shrik 8.00 Alle Shrik 6.00 Bark of Brode 6.00 Bark of Brode 6.00 Bark of Cypnus 8.00 Bark of Lybras 8.00 Bark of Lybras 8.00 Bark of Scotland 6.00 Bark of Scotland 6.00 Bark of Scotland 6.00 Bark of Scotland 6.00 Cate of Add East 8.00 Cate of	Durtom Lewis	Froyal Bit of Scotland 6.4 Singer & Priorities 6.1 Tiss 6.1 Tiss 6.1 United Bank of Kawatt 6.1 Western Trust Bank Pic 6.1 Western Trust 6.5 Whiteway Lacitar 6.5 Youtchire Bank 6.6 In Member 6.1 In Member 6.

Price	Jun	Sep ·	Dec	Jun	- PUTS
					Sep
9100	0,20	0.83	1.15	0.06	0.00
2125	80.0	0.84	0.95	- 0.17	0.15
8150	0.00	0.47	0.76	0.38	0.23
e one	in Cumpencia				
	IN CUMPENCIA		· [=	GUIDE to	MOBILD CI
May 31	£	. 8		GUIDE to	
May 31 Casoli ilip	£	. 8	60 TH		to World
May 31 Castle Rp Humpary	<u>\$</u> 42,6887 - 42,9384	27.5880 - 27.58 149.180 - 149.1	60 Tr 50 to	e FT Guide	to World
May 31 Canch Ro Hungary Iran	\$ 42,5887 - 42,9384 230,956 - 231,153	27.5580 - 27.59 149.190 - 149.1 3000.00 - 3000	50 T1- 50 ta 00 pe	e FT Guide Die gan be	to World
May 31 Castle ilip Hudgary Iran Kantali	<u>\$</u> 42,\$887 - 42,9284 230,956 - 231,153 4649.40 - 4647.00	27.5580 - 27.59 149.180 - 149.1 3000.00 - 3000 0.2996 - 0.200	50 Ti- 50 ta 00 pa	e FT Guide Die gan be	to World
litey 31 Castin ilip Hudgery Iran Kartali	\$ 42,6887 - 42,9284 230,956 - 231,153 4649,40 - 4947,00 0,4645 - 0,4656	27.5880 - 27.58 149.180 - 149.1 3000.00 - 3000. 0.2998 - 0.300 2.5820 - 2.586	50 Ti- 50 ta 00 pe	e FT Guide Die gan be	to World

FT GUIDE to WOPILD CUPRIENCESS. The FT Guide to World Currencies table can be found on the Markets page in Monday's edition.

7,844 6,012 1,225

Dec 0.11 0.15 0.22

465 1,094 63



FUTURES SOPTIONS TRADERS BERKELEY FUTURES LIMITE 38 DOVER STREET, LONDON WIX 3EB TEL: 0171 629 1133 PAX: 0171 495 6022 FUTURES AND OPTIONS TRADING

truncted Test	d Execution Service 24 hrs Haet: Duscas Duns + 44 171 329 3030 ; • 44 171 329 3919
EMAIL UNION CAL- 72160.	2514 dy Computative, Com.
SECURITIES AND SUTURES LIMITED STREET IS NOT THE BOOK IS TRANSPORTED LODGE SEA IN	Futures & Options from C22 ROUND
TEL 0171 417 9720	1 VUL TURN

	50BEV	
	Margined FOREX Bisclosed Commissions	SECURITIES AND FUTURES LIMITED
=	. The rate we trade is	Veritor Flower, 125 Finatury Parameter Landon 602A 1PA
Ξ.	and the second of the second	T € = 11 T T NATH (1) + 18



-TAX FREE GINDEX. 0171 896 0011 OFFSHORE COMPANIES

Marketing in 1977 Mark of mark foreign foreign foreign MArk	OCPA has 20 offices on For 100 page FRE D SUBMIT COOK, BIN BART & DEPOSE, LLS 100/04 has BLC. Buy	THE WASTE NAME OF THE	Part of the State	
	m Argus C			7



THEFT CURPLETO WORLD CURRENCES, P /pain.chosp.pris.apri 49//pain.at.ai hpmp.+44 171 173 4373 for desail

If you would like to advertise, or require any further information, please contact: Jeremy Nelson Tel: 0171-873-3447 Fax: 0171-873-3062



EUROPEAN INVESTMENT BANK YEN 35,000,000,000 FRN 1992-2008

In accordance with the provisions of the Notes, notice is hereby given as follows:

*Interest period: May 31, 1996 to November 29, 1996
*Interest payment date: November 29, 1996
*Interest rate: 0.17969% per annum
*Coupon amount: YEN 908 per note of YEN 1,000,000
YEN 45 421 per note of YEN 50,000,000

YEN 45,421 per note of YEN 50,000,000 Agent Bank BANGUE INTERNATIONALE BELLI A LUXEMBOURG

For further b artise in this section please contact

> **Lesley Summer** +44 0171 873 3308

Weeke As Michael Howard seeks to send more people to jail for longer, Mark Suzman examines the UK's penal policy and finds it failing the Winston Churchill test

The rights and wrongs of locking up more criminals

"The mood and temper of the says Andy Chaplain, a former public in regard to the treat-ment of crime and criminals is one of the most unfailing tests civilisation of any coun-

Winston Churchill

f the nation's leading udge is to be believed, the test that Churchill set in 1910 when home secretary is one that British society is failing. Lord Taylor, the outgoing Lord Chief Justice, has recently launched a furious tirade against the prisons policy that Michael Howard, current home secretary, says the public is demanding.

And Lord Taylor is not alone. His criticisms have been widely echoed by other senior members of the bench and a diverse array of lawyers, politi-cians and prison officials. Even the Archbishop of Canterbury has ventured on to secular ground to challenge a system weighted "too heavily in favour of imprisonment".

The immediate objects of these attacks are the government's proposals, currently circulating in a white paper, to introduce a variety of mandatory sentences for criminals, ranging from life sentences for second-time violent offenders to tougher minimum sentences for drug dealers

But underlying the furore is a much deeper debate about the proper role of prison in the criminal justice system.

Over the past three years the UK's prison population has expanded rapidly from just over 40,000 to its current total, a new record, of more than 54,000. Even Howard admits the new proposals will lead to a further rise of at least 11,000 inmates, and independent analysts calculate that they could increase what is already Europe's largest prison population by up to 30,000.

With prison space and money both at a premium, the inevitable corollary is overcrowding, declining prison conditions and growing despair

among prisoners. "Things aren't too bad yet, but the real problem is that the mood is rapidly deteriorating," inmate, who was recently released after serving four years in three prisons. He now works for a Birmingham helpline for prisoners' families, and warns: "If people think there's no hope of more improvement, suicide and vio-

lence will both rise." But the thought that his policles are upsetting convicted criminals is more comfort than concern for the home secretary. Exploiting populist images of prisoners folling

Detailed instructions used to be issued to prisons on how to make food taste and smell bad

around watching television, Howard says he is merely following the will of a public sick of lenient judges and permis-

That may be true. Opinion

polls consistently show that most people favour retribution and deterrence shead of rababilitation as goals for punishment. As Norval Morris, a law and criminology professor at the University of Chicago, writes in the recently pub-bed Oxford History of the Pra. 7. the public "has always overwiselmingly supported whatever punishments were inflicted as a means of reducing or preventing an increase in crime" But if attitudes to punish-

ment have been relatively unchanging, its form has not. The widespread use of long-term imprisonment is a relatively recent invention. Historically, alternatives have included whipping, mutilation, deportation and branding, as well as forms of execution ranging from hanging and drowning to decapitation. For the greater part of the

last century, however, in

Britain as in most western democracies, prison has been with criminals. At the same time, driven by a mixture of humanitarian and pragmatic impulses, conditions within prison have improved out of all recognition from the fetid cells that characterised latter-day Victorian England.

Some of Howard's critics feel, however, that when he talks approvingly of a "decent but austere" prison environ-ment, it is such an anvironment he envisions. After all his proposed prison building programme would be the larg-est undertaken in Britain since the penal system adopted the triple imperative of "hard labour, hard board and hard fare" - goals derived from the 1865 Prisons Act.

That law was itself a response to growing public outrage at the "indulgent" treat-ment of prisoners. It sought to make prison life a regimen of misery and pain so unpleasant that it would act as a genuine deterrent to crime. Clothing was deliberately rough and illfitting and prisoners were forced to exhaust and injure themselves by walking on treadmills or turning the crank for between six and 10 hours a day. Worst of all were the poor diets - detailed instructions used to be issued to prisons on how to make food taste and

It was this latter aspect that Oscar Wilde found unbearable during his own imprisonment in Reading jall, prompting his evocative descriptions of "Lean hunger and Green thirst". Michael Davitt, the jailed Irish nationalist turned MP, recalled seeing men eat candle ends, boot grease and even a used poultice to stave off hunger

Even those dire conditions however, conspicuously failed to reduce crime significantly, let alone stamp it out. Recognising this, penal philosophy began to change after the turn of the century and prison regimes have improved steadily, albeit in fits and starts, along with the general rise in living standards. The most recent burst of

reformism came only five years ago in the wake of the Strangeways prison riots in 1990, and followed a full inquiry into the prison service drawn up by Lord Justice Woolf, who is about to become Master of the Rolls, and Judge Stenhen Tumim, then chief inspector of prisons.

Motivated by the humanitar-

ian impulse to improve cramped and squalid conditions, the practical need to avoid further prison riots and the desire to equip prisoners with the skills to resume respectable roles in society upon release, the report recommended a wide range of measures to improve prison life. These included a strict

injunction against overcrowding, phasing out the humiliating and unhygienic practice of "slopping out" - using chamber pots in the absence of modfacilities such as libraries, increasing time spent on education and training, and extending home leave arrangements.

By and large, the govern-ment accepted the report's

recommendations and incorporated them in the 1991 Criminal Justice Act. In subsequent years the prison service has met most of its targets in these areas and the results have been salutary. Overall, escapes, assaults and suicides have all

Since Howard became home

Nearly 60 per cent of prisons are already having to cut services such as education

secretary, however, this has been taking place against the backdrop of a tighter budget and a government agenda that has switched back to old-fashloned criminal deterrence. The inherent contradiction between those two goals has now been

As things stand, the prison service is facing a 13 per cent budget cut over the next three years, and even the government recognises that this makes the worsening of prison conditions all but inevitable. The latest Home Office spending plan, for example, puts forward the goal of ensuring prisoners have proper access to sanitation et all times – but attaches the telling proviso provided the prison population does not increase significantly above current projec-

tions". Such an increase is virtually certain if the current sentencing proposals become law, and the risk is that prisons could become little more than "warehouses" - institutions of incarceration with scant regard for living conditions, let alone rehabilitation. It was this fear that recently prompted Judge Tumim to warn that the home secretary's policies were "lead-ing on the road to the concen-

tration camp". Howard denies these charges and says that the government will delay the rise in prison numbers by phasing in the sentencing changes. He is also confident new prisons will be built in spite of cutbacks by CONTENTS



Outdoors: On the aide of Everest

How to Spend It: The well furnished garden

Travel: Time for some chat in Ethiopia

Sport: The glorious human imponderables of Euro 96

Food: The world's most expensive coffee



dresses - the choice is not a simple one

Perspectives: The heirdresser who lifts thickens and shines

Books: The real black

XV, XVI Artis Guide . Bridge, Chese, Cros Collecting XIV. XV Food & Drink How To Spend it .

the new proposals announced Continued on Page II

using private finance. But the

taxpayer would still have to fund the service and few prison

officials are convinced that the

money will be forthcoming. As

things stand, nearly 60 per cent

to cut services such as educe-

Some experts are worried

that the whole programme is being implemented on a prem-

ise that remains completely

unproven. As Professor Andrew Rutherford, chairman

of the Howard League, a prison

reform group founded to com-

memorate the great 18th cen-

tury prison reformer John

Howard, points out: "The 1991

policies have been ditched and

tion.

John Plender

Guards at the gates of power

Labour's ambition is sparing Major any statesmanlike opposition to his absurd beef war

he wisdom of 19th century Whigs on the duty of the opposition could, according to Lord Derby, be summed up cynically and simply: oppose everything and propose nothing. After a week in which Labour has signally failed to offer a clear-cut alternative to the Tories' banana republic diplomacy in Europe, that minimalist view seems to have achieved a new degree of refinement: oppose everything, apart from anything tricky.

There are few more accomplished purveyors of parliamentary invective than Robin Cook, the shadow foreign secretary. Think what he might have done with a war cabinet fulminating over gelatine, tallow grease and bull's semen. Instead of bringing ridicule to this Lilliputian enterprise, he has been outlining his agenda for maximising the benefits of Britain's position in Europe, while simultaneously offering (marginally qualified) support for a government policy on beef that can only minimise those benefits.

What makes this stance much against the grain. In a pose" mode may thus come

thoughtful article on the intel-lectual underpinning of raised by Blair's article in guest workers as non-citizens lectual underpinning of Labour policy in the latest issue of Prospect magazine, Tony Blair declares that Britain's place in Europe and the rest of the world is one of two big questions to which his party must provide answers. So why is there no room for

statesmanlike opposition to John Major's absurd beef war? Perhaps those of us who are not exposed daily to the tabloids have a poorly informed grasp of British interests in Europe. Hum. In fairness to Labour, the task of educating both the electorate (and newspaper editors) in the complexities of multilateral diplomacy is a relatively new discipline

in British political life. More importantly, Blair's aspirations, in relation to Britain's role, look dangerously ambitious. Since the collapse of the Berlin Wall, no country's place in the world can be taken entirely as read; and since the rise of the Asian economies, even Europe's place in the sun is disputed. The best hope for an unambiguously constructive Labour even odder is that it goes so move from "oppose" to "pro-

Prospect: how do we construct a new relationship between the individual and society in an era of rapid change?

The most important part of the centre-left answer lies in the stakeholder economy. This rests on the notion that the prevailing insecurity, especially in the labour market, is best addressed through the creation of an inclusive community where private contract plays a lesser role than the informal bonds and constraints of civil association.

Such a doctrine does not, it has to be said, lend itself to tabloid headlines. But it does have political resonance in a world where incomes have become very unequal and an antidote is needed to the likes of Nick Leeson, the embodiment of Thatcherite individualism taken one logical step beyond the legal norm.

The snag is that while no one advocates slavish adherence to the habits of Germany or Japan, these models still raise formidable conceptual and practical difficulties. For a start the preservation of German inclusiveness before uni-

and women as second class citizens, notably in the labour Since unification, social

cohesion has been preserved in the west only by inflicting an uncompetitive exchange rate on the east. This political

What has stakeholding to offer? Not much before the election, it would appear

and economic fix, engineered at the behest of West Germany's powerful unions, ensures that east German workers are excluded from participation in anything other than a depressed regional economy.

As for Japan, the country's best companies are indeed run in the interests of stakeholders, and more especially the employees. Yet the proporefits from lifetime employment is relatively small. Outside the large companies in the tradeable goods sector, Darwinism prevails and the labour mar-ket is harsh. Minorities such Radicalism in this area has as the Koreans and even the few remaining ethnic Japanese, the Ainu, are not kindly

If Labour is to invest the idea of stakeholding with real meaning in a British context, it has to amount to something more than this kind of limited, privileged inclusion. It follows that the dividing line between the welfare system and the labour market should be redrawn to remove the present constraints on upward mobility. That brings us back to all the old questions about the incentive effects of means-testing versus universalism. What has stakeholding to offer here?

reated.

Not much before the election would appear to be the answer. Only a short while ago, Chris Smith, shadow social security secretary, was and think the unthinkable. In the light of recent statements, the full text must have read: don't dare speak the fiscally unspeakable, Gordon Brown, the intimidating Cerberus who guards the gates of political office will have none of it.

to be as much about taking as giving - witness Mr Brown's position on child benefits. Or it remains the preserve of Frank Field, who will shortly reveal actuarially approved figures for the cost of his plan to rebuild the pension system with much greater compulsory private participation. It is not clear whether his locus in the debate is, as the philosophers would say, necessary or con-

This side of the election, stakeholding cannot be allowed to mean more than Fabian gradualism, mixed with Scottish puritanism. After Labour's experience with its tax proposals before the last election, who can blame Mr Blair? For the record, I should declare that I had a refreshing conversation at Westminster this week with told by Tony Blair to go away a Labour politician who gave straight, radical answers to all my questions. But then Tony Benn (for it was he) has long think the unthinkable, but since abandoned the active

THE	
Our hallmarked silver cutlery embodies seven centuries of Sheffield cutlery making tradition.	
BEST	
Each piece is exquisitely handerafted by our own craftsmen to serve your family for generations.	
SOLID	
It is unconditionally guaranteed and every piece is independently tested and hallmarked at assay.	
SILVER	
Because we are the leading silver cutlery manufacturers and supply you dired.	
CUTLERY	
shops cannot be expected to match us on price - even at sale times!	
PRICES	
And our choice of twenty timeless designs is unbeatable too.	
IN	S. Committee
Seeing is believing. Send for full details - freepost the coupon, phone or fax	
BRITAIN	(C)
or visit our shownooms in London or Sheffield - where you can watch us make our cutlery.	
where you can which its make our citiery.	
United Cutlers	
LONDON & SHEFFIELD	

Petre Street, Sheffield S4 8LL. Fax: 0114 243 7128 London showroom: 4 Grosvenor Street W1. Tube: Bond Street

	DOST 10		 T. Sheffeld, S4 7ZZ
			iolid Silver Cutlery.
Tide	None .		
.1dde:ss.			
		Postade:	
			 HMS-FT/0696

ome years ago, a three-yearold boy surprised a friend of mine by identifying the make of her new car. Asked how he knew, the child said, "I read it", and repeated the manufacturer's name while pointing to the

logo on the hubcap. However, as the little boy no doubt began to discover shortly afterwards, deciphering written English is much more complicated and infinitely more flexible than recognising logos and trademarks.
Once we know "phonics", as the rules that link written letters to sounds are known, we can read and pronounce words that we have

never seen before. We can even give consistent pronunciations to nonsense words invented by researchers studying reading abilities.

Teaching children how to read English is a subject that excites heated debate among parents, teachers and politicians. About 20 years ago, the tradi-tional approach of teaching phonics

was discredited because it was too

The Nature of Things

Find the rhyme and then the reason

Andrew Derrington on why teaching children to read is more than a matter of logos and trademarks

difficult for many children. Instead of being taught a host of arbitrary rules (and exceptions), children were given real books to read. The stories were exciting enough to engage their attention, making it possible to guess those words that they did not know. Almost overnight, learning to read stopped being difficult, boring and hard work and became an exciting combination of storytelling

and guesswork. The "real books" method swept across the US and the UK. But it has now become clear that it does not suit all children, provoking a backlash in favour of traditional

However, researchers have also been studying how children learn to read. Usha Goswami of the Department of Experimental Psy-chology at Cambridge University says that not only can research explain why traditional methods are difficult for some children, it can also suggest improvements. Several studies have shown that

awareness of phonology - how the sound of a word can be broken down into component sounds - is fundamental to success in learning to read. Children with poor phono-logical skills have difficulty learn-

According to Goswami, 80 per cent of dyslexics have poor phonological skills and the remainder have a visual problem. John Stein of the Department of Physiology at Oxford University suggests that both the visual and the phonological problems of dyslexics have a neurological origin.

Awareness of alliteration and rhyme are among the first phono-logical skills to emerge. Children usually learn to break a word into its component syllables, and to separate a syllable into its onset - any consuments that pre-cede the vowel - and its rime - the

remainder (not to be confused with rhyme) – before they go to school. (Naturally, readers of the FT will all be able to identify rimes and cosets, but an example may help to clarify the terminology, the cuset

of the word fright is "fr" and its rime is "ight".)

According to Goswami, children with good phonological skills use rhome analogies to work out how to pronounce unfamiliar words. English spelling is much more reg-ular at the level of the rime—there are 30 words that share the rime light" and it is pronounced the e way in all of them.

Traditional phonics concentrates on single letters and phonemes, the smallest units of words. There are several reasons why this causes dif-

First, the ability to split a word until children have been learning to read for about a year. It never develops in people who do not learn how to read, although illiterate

usually do tasks based on rimes and onsets and use similarities between rimes and onsets to help them to pronounce new words. For example children are more likely to use the similarity between the words "beak" and "peak" - which have the same rime - than "beak" and "bean" which have the same number of phonemes in commor

adults and pre-school children can

Second, single phonemes, particularly consonants, cannot be prononnced in isolation. The "B" and the "G" in bag come out as "buh" and "guh". It is not immediately obvious to a child that "buh" followed by "a" and then "guh" should be pronounced "bag" rather

than "buaguh".
The irregularity of English spelling is also a problem. This is probably the most important reason for the failure of traditional phonics. The method continues to be successful in languages with regular spelling, such as Spanish and Ital-

Goswami recommends that teaching strategies should aim both to enhance children's phonological skills and also, much more importantly, to exploit these skills as they develop. She is editing a series of children's books to help children use rhyme and analogy in reading*. Sadly, neither the rules of pho-nics nor an awareness of rhyme and analogy would have helped our precocious three-year old to read the name of my friend's car. it was

a Renault. *Rhyme and analogy story rhymes, Usha Gosvami, OUP 1996.

The author is professor of psychology at the University of Nottingham.



Minding Your Own Business

Stirring muck to make money

Clive Fewins meets a farmer who is finding a challenge in developing a range of slurry stirrers

those people who cannot walk past a machine without wanting to take it apart". When he took up farming in 1980 and moved with his family from Surrey to the south Devon village of Loddiswell, he could not find an efficient machine to stir the manure in his slurry pit.

"I could not understand how neighbouring dairy farmers put up with using tractor-driven machines that were ridiculously time-consuming and inefficient and needed a huge amount of fuel for very little end result," he

Slurry is extremely important to beef and dairy farmers as it is spread on the fields as fertiliser where it helps to feed the worms and to grow prime grass for hay and silage. If it is not stirred well before being extracted, it is almost impossible to spread and the quality becomes

In the mid-1980s he experimented with new designs. But in 1989, a financial crisis, following several bad summers that resulted in poor feed crops. almost put him out of business. It was not until the following year,

John Elliott when he received a cash injection of machine did away with the shaft. 2200,000 from the sale of his shares in the family-owned south London cleaning supplies company, of which he had been a director, that he was able to take the project forward.

It is a venture that has engrossed

him for the past six years. He has built and sold 165 machines, but has yet to make large profits.

In April, Elliott again thought tough times were upon him. "Following the BSE scare, the phone almost went dead. I did not receive a single inquiry, let alone an order, for a

slurry machine for six weeks," he Business picked up and the order book is now quite healthy. However, Elliott often contemplates the wisdom of the decision he took in 1990 to sell his herd of 65 prime Jersey cattle and

He converted a 2,000 sq ft sliege barn into a workshop and set up a small assembly line. There was minimal capital outlay as he used farm welding machinery and all the main parts were made elsewhere and

Elliott's new stirrer was a simplification of his original machine, which had a shaft and a housing. The new using the tubular housing to rotate and perform the same function. As with the original machine, one end is attached to the rear take off shaft of a tractor and the other placed in the slurry lagoon with the propeller-like stirring device attached. The new arrangement has enabled Elliott to

remove all vulnerable bearings from being immersed in the slurry and also to increase the size of the propeller. which had been limited by the design of the previous machine. The machine was much more robust and powerful than its predecessors," Elliott said. "I had undertaken

some slurry stirring on a contract basis with my prototype machine, and client farmers said it did more work in an hour than their own machines could achieve in half a day."

He managed to gain his first 10 orders as a result of the contracting work, which helped to ease his financial problems, and also from taking the machine to an agricultural show. He gradually refined the design, and sales steadily increased.

However, it was four years before Elliott was able to draw a salary from Mix'It Slurry Stirrers, as he had named the business by then. The ven-

ture was largely supported by grazing in both of which there are large slur-abeep and growing barley on his 45 ries that need to be stirred, and possible shares in the family company and the industries.

salary of his wife, a doctor. Turnover in the first few years did not exceed £4,000 and the business did not break even until 1993. Before he sold the cattle, the farm had turned

over £55,000. "in a good year, I could make 220,000 profit on the dairy farm. I loved it and still miss the wonderful smell of the Jerseys," Elliott said. "However, I also loved my slurry stirrers and I decided you cannot love too

many things at the same time." Today, turnover of MixIt Slurry Stirrers is \$80,000 and profits around £10,000. The farm turns over £12,000. Elliott has developed a tower version of the machine, which sells at \$4,400 nearly £3,000 more than his basic machine. But the margins on this version are lower as he is unable to add

does on the standard machine He is now concentrating on a model that has a separate power source and a telescopic handler. Elliott thinks this version might be suited to slurry handling applications in industries

the same proportion of mark-up as he

He is also about to embark on his first important French sales cam naign. British farmers have such closed minds. Selling to them had been enormously difficult," Elliott said. "Despite proving to countless farmers that the machine works, I still have great problems convincing others that you can rotate a tube in slurry, transferring 140hp to the task of stirring the mix without mechani-

"In France, there is good potential business as the legislation on slurry has just been greatly strengthened But the French are so keen to support their own producers that I fear it might be even harder to sell to them.

"I find the challenges of developing a range of slury stirrers fascinating and I think I made the right decision to part with the cattle to concentrate on the machines. But I admit that I have yet to prove the truth of the old adage that where there's muck there's

Mix'lt Slurry Scirrers, Little Chillo-ton Form, Loddiswell, Kingsbridge,

Home Truths / Andrew Jack

Chewing over an art form with taste

nderstanding the "art" of Gilbert Des-cossy is about as easy as tracking him down. He has changed addresses frequently, the gal-leries in which his work has been displayed have closed down, and he is contemplating moving even more inaccessibly

Resolving to meet him after seeing his highly unusual "art" at an open day in a studio in Montmartre recently, I was directed to another gallery. More of his work was on show, but he had just left. The propri-etor telephoned three studios before we found him. It took another day to arrange the rendezvous, hours before he vanished again from Paris.

Gilbert Descossy is probably the only sculptor in the world of his kind. He has two unusual characteristics: his tools, which are his teeth and tongue; and his material, chewing gum. None of this is clear when you first glance at his boxes each about the size of a book perch on the wall. Every one contains a small sculpture, and below it a photograph surrounded by a series of hand-

written sentences. Amid the displays of other Parisian artists - suspended pieces of burnt wood, imitative lithographs and innumerable abstract oil paintings - it had a certain air of originality.

Whether it is art may be open to question, but Descossy has a good story to weave around his work. Although born in France, he spent much of the 1960s in Algeria, as a professor of design. It was there that he says he first became intrigued by chewing gum. In its multiple colours, stuck to chairs and tables by his students, he saw it as a form of graffiti art. He was also impressed by its rock-like dura-

"At the start of the 1980s, the great fashion was to talk end-lessly about art," he says, handing me a piece of chewing gum to try. "I was fed up. I just wanted to go out and do it." He began experimenting, ini-tially creating simple contemporary forms using multi-

bility once dried

coloured varieties of gum. But his work began in earnest on September 23 1985. "I decided I had to be more rigorous," he says. "I resolved to produce a work every day." The daily demand appealed to his sense of discipline, while the idea of something passing through his mouth "reminds me of eating".

Ever since, he has indeed chewed away daily, moulding increasingly complex patterns

in his mouth using his tongue alone. Each work takes between 10 and 30 minutes, and is then accompanied by a diary entry, listing how long it took, the flavour of the gum, where he was while at work, and important events taking place in the world at the time

He began by creating letters of the alphabet, making one each day to spell out words such as bouche, dent and langue. In the last few years, he has produced words in Arabic, and turned to more figurative subjects, including teeth, body parts and whole people walking, carrying objects, cru-cified or dead. He is now working on a series inspired by the burghers of Calais.

He has produced nearly 4,000 works, half of them framed, each of them salling for FFr1,000, with discounts for

> He is not sponsored by gum makers, although some have bought pieces

bulk purchases. "I have never sold a whole month, but sometimes whole weeks." he says. But the market at the moment is not so good, and he has no exhibitions planned. "At the moment people are buying more classical things."

Descossy says: The Americans and the Dutch tend to be more receptive than the Some people enter into the spirit of what I'm doing, others

reject it entirely."

One reason is that "people have difficulty with art that comes from the mouth. It touches something sacred. which has less value than other parts of the body." Even in his work with disabled artists who hold a paintbrush in their mouths, he is struck by the fact that they try to use the mouth like their hands, not for its own qualities like him.

He has not been sponsored by chewing gum manufacturers, although some have bought pieces. "They disagree with my interpretation, they think the gum should be associated with life, and once it is framed it is dead."

For him, gum is too often associated with youth. "For me it is a provocation," he says, stressing that he intends to continue chewing until the day

Continued from Page I

with barely any debate or con-

Part of Michael Howard's motive for pushing through changes that his namesake would have abhorred seems to be purely political. The government sees the new bill as a useful sop to the red-blooded Tory faithful, and also potentially one of the most powerful weapons in its limited electoral

Being tough on crime is a traditional Tory posture, but Howard's unflinching support for tougher penal policy appears to be driven by strong personal conviction as well. Most recent Conservative

Chess No. 1,129: 1 Qd3 Fixt3+ 2 cod3. White mates equinat other deterces by 2 Neb. 2 NbS, 2 Be?

The rights and wrongs of locking up criminals

home secretaries have sought to balance populist calls for retribution with relatively restrained policies, but his tenure has been strikingly differ-

"Howard does have a political agenda," observes one associate. "But he also has a belief that prison should be, if not brutal, at least quite harsh. And he does believe that taking people off the streets stops

Reflecting those convictions, the planned Criminal Justice Act would be Howard's sixth main piece of legislation since taking office. And while none have generated as much controversy as the present one, nearly all of them have been to some degree built around his frequently expressed conviction that "prison works".

But does it really? The best case study for assessing the validity of that belief is the US, where bulging jails now hold more than 15m people. This is by far the largest per capita prison population in the world and a number that has tripled in just 15 years, quintupled in

the last 25. Although prison regimes vary widely, there has also been in the US a notable toughening in overall standards. with boot camps becoming more common for young offenders and chain gauge for disobedient ones. The death penalty is increasing too and is

More pertinently, it is in the US where, despite equally vocal opposition from the judiciary, mandatory sentencing is 1980s and are now comple-mented by other policies such as California's famous "three strikes" law, which requires anyone convicted of three felonies to receive a mandatory

Already, it has led to life imprisonment for a pizza thief, a man who stole two bicycles and a number of marijuana At the same time, the belief

that juries might prove more reluctant to convict when the punishments are so harsh annears unfounded and there has been no popular move to repeal the law. Many other states now have similar legislation on their books and even the federal government has instituted a version of its own. In consequence, at rests have soared and both courts and the prison system have become gridlocked. Enormous prison building programmes have given rise to what has been termed the "prison industrial complex" - a self-reinforcing alliance of private prison companies and lawmakers with an agenda of continuing the expansion of the prison sys-

Part of the reason for this building bonanza is that crime has started to fall in most big US cities, and politicians have not hesitated to link this happy circumstance with the rising Drison Dovulation. But the correlation is far

from proven. In his attacks on Howard, Lord Taylor dismissed the notion that US sentencing practices helped reduce crime as little more than "wishful

thinking". Most academic research seems to support him.
"In both the US and the UK over the last 20 years one of the few things on which researchers have agreed is that the certainty of punishment is a stronger deterrent than the type of punishment," says David Faulkner, senior research associate at the Centre for Criminological Research at Oxford University.

"Of course locking up huge numbers of people in America has some effect on crime but it's very expensive, and it's not proof that either tougher sentencing policies or prison regimes are successful."

Morris is even more scathing: "It is political irresponsibility that has generated the cancerous growth of imprisonment," he asserts.

Irresponsible or not, Britain has already gone at least some of the way down the US road, and if it goes much further, many involved in the prison service fear the consequences could be devastating.

Quite apart from humanitarian concerns, officials warn that the most fertile ground for prison riots is not a repressed environment, but one in which reform has raised expectations that are subsequently thwarted

"The thought of trying to control a large prison population when there is very little that prisoners can gain for good behaviour fills us with complete horror," says David Roddan, general secretary of the Prison Governors Association. "As the proposals stand, particularly when you put

staffing cuts of over 3,000, they ... are stupid and dangerous. Nevertheless, today's reformers remain hopeful that, just as the failure of Victorian hard fare gave way to a more

them in the context of planned

enlightened environment, improved penal regimes and rehabilitation will once again become a priority. "Howard won't be home secretary for ever and we have witnessed swings in the penal

pendulum before," says Nick Flynn, deputy director at the Prison Reform Trust. The mission statement of the prison service, requires it "to look after [prisoners] with humanity and help them lead law-abiding and useful lives in

custody and after release". It is a goal derived from the best British humanitarian traditions. In the current UK political and fiscal climate it is one that is likely to prove increasingly difficult to meet.

A hairdresser who lifts, thickens and shines

orry, we're full, said the woman at Le Caprice, when phoned to book a table for lunch. That's a shame, I said, because I'm having lunch with Nicky Clarke. Hearing the name of the hairdresser famous for cutting the hair of royalty, supermodels, and every other woman you have ever heard of, and famous for charging £190 a go, she changed her time. I'll see if I can fit you in.

So on the appointed day I arrived at London's most fashionable restaurant, and there was London's most fashionable hairdresser, his black gar-ments toning with the black and white decor. He could have been mistaken for one of the black-clad waiters were it not for his hair. Theirs was sleek, dark, nicely cut. His was a mane of red-blond, worn in a style that reminded me of the Bee Gees. But more of his hair

"Lucy!" he said shaking my hand warmly. Instantly we were old friends. He had already ordered a Margarita, which came in a dainty glass with a pretty salty rim, and I decided to join him. I told him about the magic effect his name had had when booking the table, and he seemed well

tages of doing what I do. There aren't many. I get taxi drivers shouting at me, you know -'Nicky, give us a haircut' - it's a nightmare.

We started a careful, thorough contemplation of the menu. "I'd like the tuna, but I'm not allowed the spiced lentils it comes with." He explained he was on a diet the name of it sounded vaguely French - which forbids such things as carrots or potatoes and lentils.

"I was getting a bit soft around the middle, and I needed to lose a stone." "Ridiculous!" I said. "You're

not fat." He undid the gold buttons on his jacket. Underneath he was wearing a black, skin-tight silky top tucked into black trousers. He took a tiny pinch of fiesh above the black belt. "I've still got a bit further to

He told me about how he goes to the gym, and dreams of developing a figure like Arnold Schwarzenegger. I said I would find it intimidating if my hairdresser had so much muscle. "Maybe you're right." He

laughed and tossed his hair, sweeping it back with his hand, knocking over his almost empty drink as he did so. Does that mean I can have another?" he asked.

With his second Margarita come our starters, mine a lovely concection of tomatoes, pastry and basil, his a mountain of ham and cheese that did not look in accordance with any diet.

Rather than a Schwarzenee ger lookalike, I said that what I wanted from a hairdresser was someone who would not only

Apparently, even on their off days, both he and Picasso are still pretty good

cut my hair well but who would also be entertaining to

talk to.

had made a faux pas. Apparently, hairdressers in his league most definitely do not talk while they work. "Sometimes I don't sav a word."

This was a disappointment, because I had planned to find out what he and the Duchess of York talked about as he cut her hair. I later discovered that he could not have told me anyway; he had been made to sign the Official Secrets Act.

"Going into Buckingham Palace for the first time was amazing. Especially for me, being brought up in the Old Kent Road, I don't care what the media say about the Duchess of York. She is actually really

Does Fergle owe him money, as the tabloids have claimed? "No! Of course not." He also loved going to Down-

Thatcher's hair. I was sur-

prised at the admission: if I were a hairdresser I would have kept quiet about having had anything to do with her. He quickly explained that he only did her hair once - a nineminute session before she had her picture taken for Vogue

magazine. "I know this will sound unpolitically correct but I love her, and I loved her policies. It was such a mistake what they

I asked if he was star struck, expecting a standard denial. "I am, definitely, but I hope I am too cool to show it. But I did nearly blow it the other day, when I cut David Bowie's hair, and I showed that I knew a bit too much of his back cata-

So what was Bowie like? "Charming, absolutely charming." (I was getting the idea that this was a description to fit all his clients.)

Does it feel the same if you

are cutting the hair of someone famous? "No, it's different when someone's job depends on what you do to their hair." As we started to eat our

main courses - swordfish and roast peppers for me and lamb and forbidden potatoes for him - he told me in detail what a Nicky Clarke hair-do consists of. First there is a long discussion. Then he sketches from three angles. Then more discustion, refining the sketches. Then he cuts. Does he ever have an off

day? "If you can do something really well, then you do it on auto pilot. I mean, it's like Picasso. Not that I'm really comparing myself to Picasso . . ." He then went on and did just that. Apparently, even on their off days, both he and the great artist are still pretty good.

For such a service there is a great demand. He explained with pride the complex rationing system he uses to make sure valuable appointments are distributed fairly. At 8.30 every Monday morning the phone lines open to take bookings for the week beginning 13 weeks hence. Ten minutes later four telephonists have booked him solid.

I remarked that this is the ing Street to do Margaret - sort of scarcity value normally associated with utility privati-



sation issues. He looked puzzled and said that it is his wife who handles the business side. But why not charge a lot

more: if so many people want him to cut their hair, why not ration by price and charge £400 or so? "We could do that," he said. "People would probably pay £400, but I couldn't do it. it's too much for a haircont." too much for a haircut," Anticipating my objection, he went on: "You could say

that £190 is too much." But he then explained how his haircuts can make a woman feel

really good about herself. "You can pay a lot of money for an Armani suit, or you can get one at C&A." He touched my suit doubtfully. "Are you interested in fashion?" he

I found this a little hurtful: my suit was new, it was one of the most expensive things I had ever bought, and everyone in the office said I looked really smart.

"But let's not get too serious," he said cheerfully, possibly mistaking my downcast

look. "It is not brain surgery, we are talking about. We are not talking about the Bosnian war. It is hairdressing,

I shifted the discussion to his appearance. Why is it, I asked. that hairdressers' own hair is often so, um, unstructured? "Maybe it's because they are mostly men and don't want a blow-dried bouffant." But surely he blow dries his, I said. No. he said, he didn't.

But why is it puffed up nicely above his head, whereas most people's hair lies down on

their scalp? "After I come out of the gym, I put loads of prod-

I asked if I, too, could be helped by "product", and if so, which one I should buy. He glanced at my hair, and said without hesitation: "Lift, Thicken and Shine."

If I came with him back to his salon (where his 3.30pm was waiting) he'd give me some. I paid the bill (£93 with tip, which at half the price of the hairdo was a bargain) and we walked over to his salon in

a corner of Berkeley Square He instructed the sleek girl behind the desk to give me a bottle of his own brand, Hairomatherapy, and then escorted me out on to the pavement.

"I must give you a 30 second lesson on how to use it. Touching his own hair, he tweaked, pulled, and said something about blow drying it away from the roots.

Once in the taxi I took the little silver bottle out of my bag and looked at it. "For badly damaged hair," it said.

he sole survivor

Michael Shaw Bond visits Buddhist monasteries in India and Tibet

t came as a vast disap-pointment to set eyes for the first time on Tabo monastery, in northern India's Spiti valley. From a distance, one of the Buddhist world's most important homes of historic art looks less like a monastery and more like a drap collection of mud-brick bungalows, indistinguishable from the village that has sprung up around it.

 y_{i}

1.2%

But once inside, my disenchantment faded rapidly. The monks were in prayer and it was dark, except for a clutch of candle-flames flickering in the middle of the darkness as if suspended there.

There were sounds of chanting, an incessant drum-best and the occasional crash of cymbals. The only movements were the flickering of the can-dles and the blur of the drummer's arm falling through the shadows. In the dim light I could make out the ancient. faded murals depicting scenes from the life of the Buddha which have given Tabo its rep-utation as a Buddhist jewel.

They are also very, very old. This month, the monastery celebrates its 1,000th anniversary. lt is hosting a two-week Bud-dhist festival which will be attended by thousands of believers from India, Tibet and all over Asia, including the Dalai Lana, the exiled Tibetan leader. Many are also expected from the west. The monks have been preparing for months for this occasion, and there was a mess of construction work at the time of my

The presence of the Dalai Lama at this festival is significant, for Tabo is more Tibetan than Indian. The Spiti valley is as isolated and as high as Tibet; it is cold, the air thin.

The religious writings on the monastery walls are in Tibetan; everywhere there are paintings of the great Potala Palace in Lhasa and past Dalai Lamas, images of Maitreya and Tara and other Tibetan deities. Even Sonam Wangdu, the head monk, is a Tibetan, and was formerly at Ganden monastery outside Lhasa. He escaped to India at the same time as the Dalai Lama, settling in Spiti in the mid-1970s

There is, though, a crucial difference. Tabo is an active monastery with a full complement of monks who recite Scriptures and carry out unhindered the same religious duties as their prodecessors 1,000



years ago. No monastery in Tibet has the luxury of such religious freedom. Indeed there are few senior monks still working in Tibet, most having been killed, imprisoned or forced into exile by the Chinese since the invasion in 1950. Those remaining are severely restricted in their practice of

You do not - in theory have to travel far from Spiti to compare the fortunes of its monks with their counterparts in Tibet itself. Tabo is just a few kilometres from the Tibetan border, and less than 100 from the old Buddhist kingdom of Guge and the monastic towns of Tholing and Tsaparang in western Tibet.

In reality it is virtually impossible to reach Tholing directly from Tabo - the Himalayas and the Chinese border guards see to that. Instead you must cross into Tibet from Nepal or mainland China and travel for weeks on dirt tracks across the high deserts of the Tibetan plateau.

The Guge kingdom, with Tholing as its religious centre, is one of the most inaccessible places on Earth, hidden in the labyrinthine canyons of the Sutley river. In the 9th century it was the last refuge in Tibet for Buddhism, which had been introduced from India 200 years earlier but was at that time heavily persecuted by followers of Bon, the older, established Tibetan religion.

Later, the rulers of Guge encouraged the re-introduction of Buddhism to the rest of Tibet, the so-called "Second Diffusion". Tholing and its founder were at the heart of that renaissance.

Rinchen Zangpo, a Buddhist translator and one of the most

revered teachers of his time, founded more than 100 monasteries in the borderlands of western Tibet and northern India, employing Kashmiri artists to decorate them. The paintings at Tholing are simi-lar to those at Tabo: bold and fantastically detailed, dignified in their faded elegance. But because of the Chinese occupation of Tibet those at Tholing are in a terrible state.

I was shown around Tholing monastery by one of the few monks still allowed to live there (in pre-Chinese days there were several hundred). He regretted that because all the senior monks had been killed by the Chinese soldiers or had fled to Ladakh or elsewhere in India there was no one at Tholing who could divulge the meaning and history of its religious drawings.

his is the great threat to Tibetan Buddhism the country over that its great scholars should die before passing on their knowledge to the next generation. It is also why the study and worship going on at Tabo and other Tibetan Buddhist monasteries in Spiti and Ladakh is so important. These places are the last remaining links in the unbroken chain of teaching which goes back to Rinchen Zangpo's era and

My monk guide took me into one of Tholing's main chapels, irreverently used as a wood store by the Chinese soldiers in the 1960s and yet to be cleared. It is a wreck. Nine out of the 10 Buddha statues which surrounded the large central image have been removed and the murals are streaked with lines of moisture from the leak-

ing roof.
Still standing are several heavy wooden columns, an indication of the former wealth of the Guge kingdom: the nearest trees were in India and had to be carried across the Hima-

One wall painting in particu lar stands out in this chapel: it is vast, consisting of a series of scenes from a sky burial which depict the devouring of human limbs by hungry vultures. But it has been vandalised, and every vulture in it decapitated, the heads gouged out of the plaster by a chisel.

A neighbouring chapel is entirely without a roof. The wooden door at the front was padlocked and my monk said he did not have the key and was not allowed in becau a "dispute with Beijing". He did not elaborate.

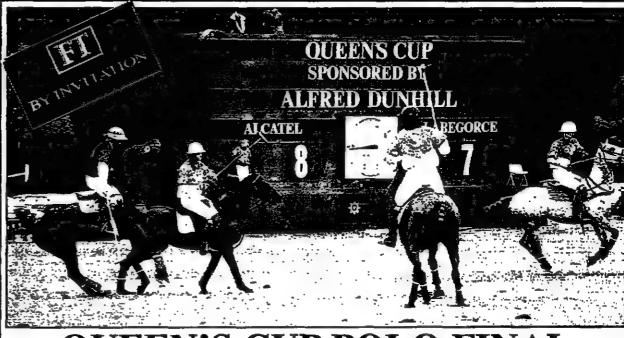
But I was left intensely curions and after the monk had gone I climbed over the wall of the locked chapel to investigate. I landed on the other side and stared ahead, aghast. For on the wall immediately

beyond the door was the outline of a large Buddha image. The image itself had been removed and the wall around it was peppered with holes from the bullets of machine guns. There were no bullet-holes within the outline of the image itself, which had clearly been used for target practice by the soldiers who had sacked the place. Elsewhere in the chapel not a single statue remained and the floors were covered in rubble.

I discovered in one corner a pile of religious scripts, many of them black with burning, all of them with singed edges but some with written prayers intact and still visible. These had survived in the open for nearly 30 years, preserved by the cold and the dry air, as enduring as the religion to which they were accessories. Of all the damage in that

chapel it was the bullet holes which seemed the most repulsive, the most intrusive and profane. I knew that the same guns had also brought down a number of Tholing's human occupants. In a remote place like Guge the evidence of such events is easily hidden.

The unviolated surrounds of Tabo monastery are a world away, if just 100 miles across the mountains. One is an active religious community. the other an abandoned muse



QUEEN'S CUP POLO FINAL

with the Financial Times Sunday 23rd June 1996

The FT invites its readers to enjoy a day's polo, on Sunday 23rd June at the Guards Polo Club, Smith's Lawn, Windsor Great Park.

Traditionally held in the presence of Her Majesty Queen Elizabeth II, this prestigious tournament has established itself as a highlight on the international polo calendar and is being sponsored for the sixteenth consecutive year by Alfred Dunhill. It is the culmination of a thrilling three week long league competition, in which worldwide teams compete for a chance to win the coveted Alfred Dunhill Queen's Cup, the highest possib accolade in international high goal handicapped polo.

The Financial Times has arranged Grandstand tickets the exclusive price of £12.50 each (with a maximum 4 per application), and this year we are able to offer o free car park pass per pair of tickets.

Tickets for this exciting event are limited, so if you do want to miss the thrills of a summer day's polo Smith's Lawn, please complete the coupon opposite at return it immediately to:

Cathy Harding, Financial Times Number One, Southwark Bridge, London, SE1 9HL

SUNDAY 23RD JUNE 1996

1100 **GATES OPEN** 1500 ALFRED DUNHILL QUEEN'S CUP 1630-1645 PRESENTATION TO PRIZEWINNERS 1645-1700 CARRIAGE DRIVING **GUESTS DEPART** 1730

Tickets are subject to availability and no refunds can be given. Offer closes on Friday 13th June 1996. Addresses supplied by readers in response to this invitation will be retained by the Financial Times, which is registered under the Data Protection Act 1984.

le	
at	Please send me tickets at £12.50 each. I enclose a cheque made payable to Guards Polo Club for total of £
of	Please charge my ACCESS AMEX VISA Delease tick
ne	Card Number
ı'ı	Expiry Date
at nd	Address
~	
1	Post Town County

Postcode Daytime Tel

HOW TO SPEND IT

Growing sources of garden delights

Lucia van der Post finds barbecues from Burma and pots from Mexico

gardening equipment the plainest of benches, the gaudiest of umbrellas, the sim-plest of terracotta pots - is usually most easily found, at the keenest prices, at super-markets, out-of-town sheds and garden centres. However, there comes a time when something a little more special is on the agenda, when something a little more out of the way, more inventive, more decorative even, dare I say it, more tasteful - is what you are after. Then the only answer is to track down some of the small and special shops that cater for the off-beat garden.

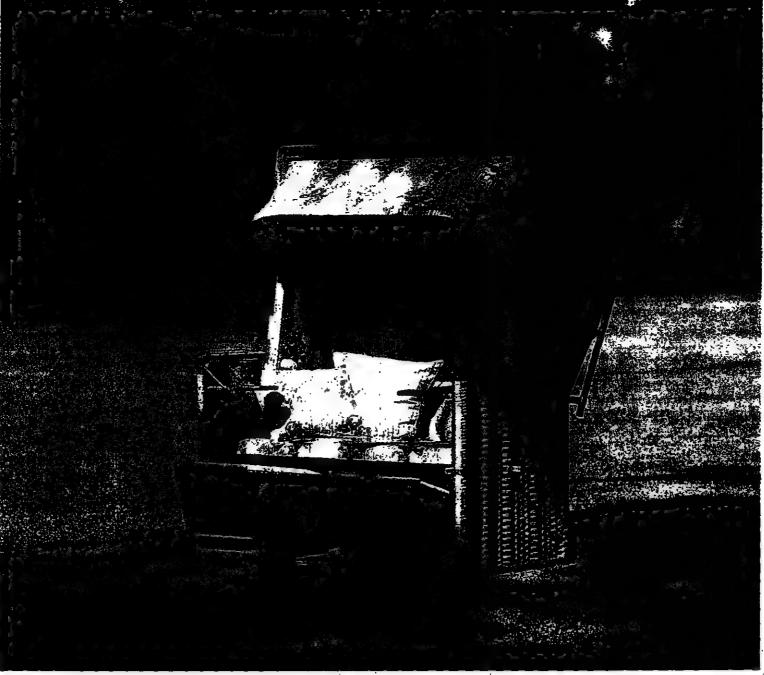
As gardening has become increasingly important to householders - even for those presiding over the smallest of outdoor patches - smaller, boutique-like shops have grown to cater for their needs. In Loudon, we are not short of choices. Places such as Clifton Nurseries (5a Chifton VIIlas, Little Vanice); The Chalses

ost of us know that run-of-the-mill tersea Park Road, London gardening SW8); Avant Garden, 77 Ledbury Road, London W11); and Marston & Langinger (192 Ebury Street, London SW1) all offer interesting and unusual bits and pieces for the garden

or conservatory. Good sources out of town are on the increase. There are some specialist purveyors of garden antiques and statuary notably Walcot Reclamation in Bath and Whichford Pottery in Warwickshire, which is a wonderful place to visit for pottery of all sorts - but, inevitably, it is London that continues to be spoilt for choice,

Hardly a week goes by without some enterprising new retailer discovering fresh and wondrous products.

unearthed barbecues from Burma, picnic sets from France, traditional "beach shelters" from the wind-blown northern coast of Germany and hand-painted terracotta pots from Mexico. Here are just a faw of the discoveries.



penn is a small, charmin shop just off London's Portobello Road. A speciality, other than its charm, is hard to pin down as the varied collection of throws, a boards, hold-alls and assorted cotton-covered items

However, for those looking for something a little different in garden furniture, its owner, Bimbi Bellhouse, has tracked down the sources of the traditional "beach shelters" used along the north German coast. The shelters are perfect for a cold, windy British garden or conservatory. Hand-m in a variety of finishes - from reed and willow to a white PVC weave they can be upholstered in any fabric the customers chooses. The inner cushions can be removed and the seats all come with weatherproofed zipped covers, which means they can be left out all year round if no storage is available.

The garden seat operates rather like a box of tricks with all sorts of options and optional extras available. The back of the seat can be fixed at varying angles - either upright or at some stage between that and horizontal so that users can lie flat

and sleep or sunbathe. There are two footrests in the base which can be pulled out to aid a little idle lolling; there are two shelves for holding drinks and a sunshade can top the whole apparatus. Prices start at £2,000, plus the cost of 7 metres of fabric. Orders take four weeks. An example can be seen at the Apenn shop at 196 Kensington Park Road London W11 2ES. Tel: 0171-792 2457.

Simpler, less expensive but perennially useful and particularly perfect for picnics is the campaign chair. Used by Indian Army officers during their travels, this collapsib chair is available with bonded and waterproefed fabric from the Apenu collection in three different colourways (red, blue and green). The wooden frame comes apart easily and the chair can be rolled up in its pouch and carried by a shoulder strap: £225 each (slightly less for a set of four) from Apeun.

Lucia van der Post



f you are looking for a standard teak bench or a jolly plastic umbrella, you can go to your nearest department store, shed or garden centre. If you want something a little recherche, something with wit or charm, Judy Green's new shop, Garden Store, in London's

Hampstead, is a marvellous source of the off-beat.

Aimed at those who want to make small gardens, patios, window-sills and yards more welcoming, it is filled with tempting ideas. There are terracotta pots, hand-painted by any one of a group of three or four different British artists, as well as hammocks and hampers, trugs and outdoor candles. Those who love the solid materials and honest workmanship of antique

gardening tools will find a and trowels at about 58 a pair, secateurs and spades, to

a range of garden furniture. Sketched here are just some of the things Judy Green has tracked down for her shop. French aluminium and raffia tea picnic set - £7.95 for the cups, £16.95 for the kettle and £15.95 for the tray. ☐ The galvanised iron watering can is a copy of a

Victorian travelling watering can (the spout fits into the can and the lid comes off), £43.50. barbecue, made from tough rose clay from the irrawaddy river to a design used for hundreds of years, heats rapidly to a high even

for reasting (by putting the lid on) or open grilling. With the lid on, you can stir-fry, simmer, braise or boil on the lid itself while triside a roast gently cooks: 238.50 for the small size. ☐ A garden hamper put together by Judy Green would make a splendid present for a

gardener. The French Provencal basket with cream calico edging and handle is £18; the hand-made terracotta pots are from £6.50 each, the small pot of ivy is £1.80, the teak plant tags, £2.95 for four, the green garden twine on a wooden holder is £9.85 and greetings cards are £1.25.

☐ Terracotta outdoor candle on an iron spike, £26.

Mexican fleur de Lys wall glazed terracotta pot on a metal hook, £24.95. ■ Garden Store is at 11 Flask Walk, Hampstead, London NW3 1HJ Tel: 0171-435 3832.

Drawings: Margaret Keedy



Natural and elegant

t is extraordinary to think that Crucial Trading is 10 years old. When it first started I remember greeting its arrival with rapturous joy, largely on account of the price and the extremely unpretentious nature of the product. Yet I opined that while it was perfect for country rooms and hallways, it was not for 'elegant salons".

Today, all that has changed. Sisal, jute, coir and seagrass are to be found in the grandest of salons. Open almost any interior decorating magazine and, from stately manors to urban drawing-rooms, natural flooring is to be seen.

Prices remain good, the selection has widened, loose rugs, bound in toning or contrasting colours are available, there are narrow runners for

المساعد المالع المساعي مساعد فالأفراض فالمراج

stairs and today, to celebrate the 10th anniversary, anybody who goes to one of Crucial Trading's shops can buy anything from the range at half price. You cannot, unfortunately, do it by phone - you have to put in an appearance and pay for it today so anybody contemplating buying it in the near future should get their tape measures out and

harry glong.
Harry Gold, for instance, a
honey-gold, roughly woven
sisal and my particular favourite, will be on sale at half price and the seagrass, normally £10.40 a square metre, will cost £5.20.

The shops are at Pukka Pal-ace, 174 Tower Bridge Road, London SE1 (0171-284 0000); 79 Westbourne Park Road, London W2 (0171-221 9000); 4 St in soft colours, striped or plain

Barnabas Street, Pimlico Green, London SWI (0171-730 0075) and the factory shop at The Market Hall, Craven Arms, Shropshire SY7 9NY

Besides Crucial Trading there are now many other companies offering flooring in a similar mood and spirit. Roger Oates has for some time specialised in making woven woollen runners which have something of the simplicity that Shaker style demands. Tough, hard-wearing and beautiful in their own quiet rustic way, they come in many different colour combinations.

Most have strong borders, reminiscent of the runners in so many Scandinavian interiors. New to his collection are his antiqued cotton runners -



The unpretentious way to cover a floor

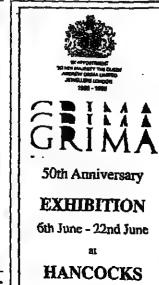
with striped borders, they all age beautifully and range in price from 244 for 70cm by 150cm to £84.50 for runners measuring 70cm by 350cm. Roger Oates' range sells from

his headquarters at The Long Barn, Eastnor, Ledbury, Her-

efordshire HRS 1EL (01531-632718) or by mail order -

there is a beautifully illustrated full colour brochure available from the same

Lucia van der Post



Burlington Gdns.

London W.1.

(0171) 493 8904

FASHION

recently met two very different women, from opposite ends of the social spectrum. who reminded me that care over one's appearance is not only civilising but also munificent. It can give pleasure to a neighbour and need not imply ostentation, vanity or an expectation of something in return - be it sexual attention or deference. It can, quite

simply, raise people's spirits and make them smile. The first woman was an octogenarian art collector whom I met at a Sotheby's lunch; the other was an impoverished young black woman whom I met at a church

These women shared the same demure dignity; both were clothed

The De had then § the total a A 162 18 18

an van der Pos

Demure dignity of the well turned out

Jane Mulvagh is spellbound by the dress sense of two women from opposite ends of the social spectrum

and groomed with exacting care and without vulgarity, neither were sandwich boards for a fashionable label, just gentle reminders of the human spirit undiminished

The old lady retained a girlish charm and femininity in spite of her years. She wore a ballerinalength, full, black linen skirt, a delicately pleated white lawn blouse and simple black pumps. Her snow-white hair was coiled into a chignon at the nape of her

tures sheltered under a broadbrimmed straw hat, trimmed with a black grosgrain ribbon. Two pearl studs were all the jewellery

Sitting alongside some fiercely cosmopolitan younger women dressed up in designer-brights, with all the aggression of fashion Fauvists, she, by contrast, conjured up the simple delicacy of a Chardin portrait. I was spellbound. After hunch, I went to sit beside

menting her on how she looked. Imagine my surprise when she told me that she was blind.

Explaining why she took such care in her dress, she remembered what pleasure being "well turned out" gave others, as well as herself, and the disability that struck 10 years ago had not blunted her largesse for pleasing others. Though slightly more effort went into her toilette these days, she still managed to dress herself by

neck and her frail, unpainted fee- her and could not resist compli- feeling her clothes in her ward-

she had to solicit the good eye of her gardener to confirm that she was wearing a matching

Amid the smart hats in the Kensington church, the black woman had her own form of festive hat. It but of time and care. For crowning her modest brown Macintosh and cheap, worn shoes was a coiffure

that must have taken many hours

Hundreds of tiny plaits, as fine as inky spaghetti, were coiled into kiss curls over her skull. The heart of each coil was decorated with a tiny golden bead and the edges of her hairline were wound into a scalloped border.

You could see members of the congregation smiling as they caught sight of her decorative masterpiece which was worn without attention-seeking affectation.

Neither woman's decoration invited envy, criticism or social division: the old lady was not festooned in rich jewellery or class-ridden shibboleths; the young woman was unburdened by any hint of a political slogan. Both simply gave pleasure because their presentation was careful, attractive and demonstrated self-respect

and a delicacy of mind. Decoration, freed from group conformity, commerce or status, is not frivolous, vain or socially divi-

It is much-needed evidence of the human spirit untrodden. Dress has tool that, if used with understanding, can give pleasure, and can build bridges and even heal.



The dress holds the key to style success this summer

With such a vast variety on offer, there is really no such thing as an easy choice during this Year of the Dress, writes Karen Wheeler

he dress has been designated as this summer's key wardrobe item and the issue is not whether to wear one but what style to buy. Given the enormous variety on offer, this is not easy.

Following the success of last year's shift, designers are offering everything from shirt-waisters and tunic dresses to 1950s styles. Add to this a mind-blowing selection of fabrics -from silk dupion to industrial nylon; prints that range from traditional splashy florals to startling 1970s wallpaper designs; and a palette encompassing acid orange and lime to sugary pink and lilac, and the choice is far from straightforward.

It is almost easier to say what is not fashionable – and pretty much the only thing that fails to qualify is the long. floral print tea dress that was such a hit in previous summers. Instead, most current styles hover on the knee or above and the look is short and

Despite such fashion diktats. the dress is a highly personal item and a much more difficult purchase than an office suit or a raincoat. While you can hide behind the tailored lines of a jacket or disguise a multitude of sins under a raincoat, the summer dress is not so forgiving and most of us have fixed swingy A-lines and full-skirted ideas on the subject. Those with slender arms, elegant necks or well-toned backs will welcome cutaway necklines, halter necks or sleeveless dresses. For most people, such styles are a stumbling block. The sleeveless shift is merciless in revealing flaws and is deeply unkind to pale skin or less than perfectly honed upper arms.

Yet there are solutions. Salvation comes in the form of the cropped boxy jacket which many designers have provided as an optional extra to the dress. "A lot of women feel uncomfortable about baring their upper arms and recent weather hasn't helped," says

snappy rather than long and Emma Newell, Harrods dress buyer. "Yet we have been selling sleeveless and short sleeve dresses really well, because we've also stocked short boxy or bolero jackets to match."

Yves Saint Laurent's square neck dress and cropped jacket in an ottoman fabric has sold particularly well at Harrods, where the dress and jacket has been identified as a winning combination (although in classic navy, red or gold and rich cream rather than daygle colours). "Most of us are used to wearing a skirt and a jacket to work," says Newell. "A dress and a jacket seems newer."

It is a strategy that has been widely adopted elsewhere -Karen Millen offers minimalist cropped jackets which look very modern over her backbaring halter neck dresses and fondant coloured shifts with cutaway necklines. Nicole Farhi's checked sun dress also comes with a cropped single-breasted jacket. By offering the option of a jacket, designers have made the sun dress more

dress it up or down. For those dress is still popular but styles who consider a jacket too for- have become more sophistimal and for dresses which do not work well with a jacket, subtly flared A-line silhouette the solution is a cardigan in a matching colour - very chic fastened with one button over

the shoulders.

So what are the key styles to

Courrege's 1960s' silhouette. versatile - allowing you to note? The next, slender shift On the high street, Wallis's lin- Current hot designer Patrick

cated. The latest models have a and added extras such as drop pockets or a silver buckled belt. They also look better with

□ Dresses, from far left: ■ Rose print V-neck, flippy cap-sleeve dress in viscose, £199, by Jaeger London from selected branches of Jaeger. Stockists 0171-200 4000, Featuring cap-sleeves and a toshkyrable V-neck this is a less mustore alternative to the plain shift dress.

■ Floral print dress with short cap sleeves in 100 per cent viscose, £110 by Max & Co at Harvey Nichols, Knightsbridge, London, SW3. Inquiries: 0171-235 5000. A very pretty floral print and forgiving cap sleeves give this dress special appeal.

Tomain sleeveless dress with eatin trim at

waist in viscose crèpe, 2230, by Paddy Campbell, 8 Gees Court, St Christopher's Place, London W1 (tel 0171-493 5646). A strikingly simple and understated dress with a bias cut that is flattering to most figures. Sleeveless but a matching cropped fitted jacket is also gvailable.

Navy/white spot print dress with draping detail in pure silk, to order from Catherine Walker, 65 Sydney Street, London SW3 (tel 0171-352 4626). Currently the most popular style at Catherine Walker and to try it on is

to understand why - It fits like a stik glove. Very expensive but likely to prove very useful for many seasons.

Lemon dress with contrasting white band 2145, and matching jacket £169, both in 100 per cent viscose, by Liberty Collection (tel: 0171-734 1234). A good sun dress for smart summer functions, this bares the neck and shoulders but has the option of a matching cket if the weather is chilly.

Litac ottoman shift dress with drop pockets £125 from the Philosophy range by Alberta Ferretti, from Dickins and Jones, Regent Street, London W1. Inquiries: 0171-963 2236. This is a very modern take on the summer dress with hints of the 1980s' Courreges look, it features short sleeves and

a flattering neckline and is very easy to wear. ■ Dusty pink silk chiffon bias cut dress, £395, Maria Grachvogel from Liberty, London W1. Stockist Inquiries: 0171-581 8180. The appeal lies in the beautiful fabric, exquisite colour and cut. It is also highly individual and you are unlikely to bump into anybody wearing anything like it.

Wustrations: Kim Cabiel

en/viscose mix shift dress in Cox has picked up on the mauve or apple green (£48.99) features a modern hipster, sil-

According to Liz Tilberis. editor of American style-bible Harper's Bazaar, nobody cuts a shift dress quite like Catherine Walker - which probably explains why Walker's Sydney Street salon is buzzing at this time of year. Her dresses are not cheap but there are many women who feel that £900 plus is a fair price to pay for a silk dress which fits like a glove and feels like a dream and which will take them seamlessly from summer wedding to

The season's most hyped dress is the button-through shirt dress. In unexpected fabrics such as silk dupion, these can look very pretty - for example, Whistles silk shantung shirt dress (£95) in colours ranging from olive to lilac - but need to be chosen carefully. Safari styles - originally made famous by Yves Saint Laurent - are a better option.

theme with a cotton buttonthrough version with tab pockets while Saint Laurent's own current reworking of the theme comes in cotton gabardine at £475.

After fixing on a shape and style, the biggest decision is whether to opt for print or plain colour. In print, bold, splashy florals look best. Wallpaper and 1970s soft furnishing prints might be quite the thing on the catwalk but all but the most expensive designer versions look dreadful in real life. These may look terrific for now but they will date faster than you can say "Prada".

Fabrics this season range from crisp, cotton piques to futuristic synthetics. Fabrics with surface interest - satins, brocades or shimmery effects and stretch properties are very popular, particularly in icy pastel colours.

The Philosophy range by Alberta Ferretti has summer dresses in delicious colours and fabrics including a lilac silk organiza shift with appliquéd flowers (£419) and a sliver of lemon silk organza with a square neck and buttons down the back (£18 from Selfridges).

MaxMara has some of the best floral prints in a variety of styles. Favourites are a splashy yellow sunflower print on a cotton dress flatteringly cut to flare out from under the bust (£95) by Weekend by MaxMara: a belted pink Gardenia floral print dress with short sleeves (£139) and a black sleeveless shift featuring splashy pink cabbage roses (£159).

Despite the dismal weather. Episode's poppy print, 1950sout. Also worth considering are Fenn Wright and Manson's floral print A-line dresses or brightly coloured linen polo dresses which have little hanger appeal but look good with flat thong sandals or beach shoes and are perfect for holidays. Finally, Joseph's robust metallic nylon shift dress in blue (£135) might sound unappealing but looks beautifully and uncompris-

Sporting life is still a luxury

Gerald Cadogan looks at the prices for grouse moors and deer forest

une is a wise time to buy a grouse moor or deer forest. By August 12, when grouse shooting starts, or late September and early October when the stags are at their best, it is too late.

Sporting estates are luxurles and usually a drain on their owners' purses, whether they are old Scotish lairds or businessmen travel-

ling north to bag a trophy.

A large estate in the Highlands, or on the west coast, can cost as much as £100,000 a year to run unless the owner lets some of the shooting, says William Jackson, of agents Knight Frank in Edinburgh. The annual bill for a keeper and stalker (and a ghille, if there is fishing) will hardly be less than £20,000 anieca

Most owners, says Jackson, are happy to take the first days of the grouse and stalking seasons for themselves, which should make a glorious late summer of sport. Then they could shoot for pheasant, while letting out the latter days on the grouse moors,

Few grouse shoots are for sale which makes it a difficult market to judge. Prices usually combine a value for the land and buildings with a multiplier of the long-term average of grouse or stags shot. This long view smoothes out disas-trous years such as 1993 when some estates did not entertain grouse shoots at all. That year, it was important to conserve stocks after bad weather had stopped birds

hatching.

Keepers will know later this month if 1996 is likely to be a good year. Estates often wait for these first counts before confirming the let shooting and may leave September days open until it is clear how tial, says Jackson, that an estate is not overshot to derive income.

Moor management also means controlling foxes and other predators that take young birds. Sections of heather have to be burnt, year by year, to encourage fresh growth. Grouse hatch in the heather - and it is their food.

Sheep are the other hig threat. Once they start nibbling the heather, it dies and the moor turns to grassland which offers no protection or food for grouse. Overgrazing is often the explanation for moors "In need of improvement". The first task is to move the sheen.

In Scotland the multiplier for capitalising driven grouse is likely to be more than £2,000 a hrace, Jackson estimates. For stags it is £10,000 to £12,000 per stag, down from a few years ago. But, as the last three winters have been good for stags and Scotland has plenty of deer that need culling, the fall has little effect on an estate's capital value, with more animals to balance the lower value per animal

In northern England grouse values are higher at around £2,500 a brace, says George Winn-Darley, of Lowther Scott-Harden. If only the sporting rights are for sale, when there is no grazing value for the land, they will be "a bit less". Yet the long habit of valuing sporting estates on a head count of deer may be ending. Scotland has 21/4 times as many deer as the land can stand. Anthony Hart, of agents Bidwells, prescribes a change of attitude. Private owners must either do something about deer or they will find that Scottish Natural Heritage - or parliament - will force them to.

In future, he suggests, capital value will depend on the self-



sustainability of estates. Already, continental buyers are less interested in historical sporting records and more interested in asking: What can the estate sustain in the future?

Bidwells has just recruited Philip Ratcliffe, who headed the Forestry Commission's environment branch, to advise private owners on ecomy. The 18,600-acre Dainacardoch

estate, near Dalwhinnie in Perthshire, once part of the Atholi estate. scores highly on environmental

grounds. A beautiful tract of the Grampian Mountains, it sits above the A9 on the watershed between the Tay and the Spey river systems. The heather thrives as it is too high for bracken to choke it and the estate does not graze sheep.

But there are foxes, When I visited, the keeper was out on the hills shooting them. Dainacardoch still brings shot stage off the mountains by pony and the place is a deer stalker's paradise. Last year it produced 160 stags (and 57 hinds all

It is also good for grouse, with 465.5 brace last year and a five-year average of 524 brace. Recent letting rates have been £350 a stag and £45 to 250 a brace for walked-up grouse (rough shooting) for a specified 30 or 40 brace. (For driven grouse the going rate is £85 to £80.)

The dilapidated old lodge near the A9 was built as a public inn on the orders of George III. It would make an excellent French-style restaurant avec chambres - which is how it began. Savills is seeking offers of more than £2.5m for the whole

. 4

estate. Land agent Jonathan Henson, of Savills' Perth office, looks hinds a year. after the place and hopes the new

owner will keep him on. In Argyll, on the warm west coast, two estates new on the market front on to sea lochs and offer mixed sport. Knockdow on Loch Striven (6,000 acres, Bidwells seeks offers over £2m) also has holiday lets and good forestry including

deciduous trees Rahoy on Loch Sunart (2.933 acres, Knight Frank, offers over 2650,000) has see fishing, some

grouse and about 12 stags and 15

In England, grouse shooting over 2,962 acres at Wellhope, near Carrabield on the Northumberland/ Cumberland border (Lowther Scott-Harden, offers over £400,000) has "potential for improvement" - too many sheep. There is also a 512 acre farm with a gross income of £11,500. Bidwells, Perth (01738-630666); Knight Frank, Edinburgh (0131-225 8171); Lowther Scott-Harden, Bywell (01661-843168); Savills, Edinburgh

ida (r

LONDON PROPERTY

FOR SALE

15 min. from Geneva.

In France, right on the edge of the lake,

Exceptional Property

Main residence comprising 12 rooms,

including 7 bedrooms and caretaker's house.

35000 m2 of parkland, with swimming pool.

250 m of waterfront, ports and landing stages.

Stables with 5 loose boxes, garage, etc.

For all information, please contact

J.-P- ODIER

Estate and Financial Consultant - Geneva

Tel. +41.22 / 346 95 35

+41.22 / 789 33 02

BISHOP'S WHARF HOUSE

BRAND NEW RESIDENTIAL DEVELOPMENT FRONTING RANSOMES DOCK, BATTERSEA. 44 APARTMENTS WITH PRIVATE PARKING. BALCONIES & 24 HOUR SECURITY. Bishop's Wharf House is located off Parkgate Road, close to Battersea Park, The Riverside Walk and Albert Bridge.

LEASEHOLD 999 YEARS PRICES (INCLUDING PARKING) • 1 Bedroom - £145,000 • 2 BEDROOM - £185,000 to £235,000 - PENTHOUSE - £500,000

SAVILLS

0171 824 9011 Savilis, Hong Kong (852) 2525 1940

Bishop's Wharf House Rantomes Dock London SW11



Burton Court, SW3 An excellent third floor, 3 bedroom spartment of some 157.5 sq m (1,693 sq ft) benefiting from outstanding south westerly views from 3 intercomm icating reception rooms Leavebold: Approx 981 years 🧍 Price on Application Old Queen St, SW1 An immsculate 2 bedroom aperiment completely refurbished within the last year, located to the south of St James's Park within a short walk of the House of Commons.

SAVILLS

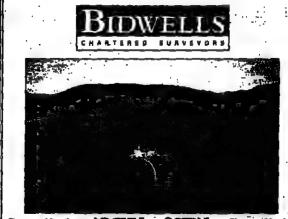
Lessehold: Approx 124 years Culford Gardens, SW3 A 3 bedroom apartment situated on the second floor of a well maintained Victorian building with resident caretakuz.

Lesschold: Approx 89 years Queen's Gate, SW7 A 2 bedroom fourth floor apartment (with lift) facing east & west, available as a rental uvestment, yielding a gross return of 9.66%.

Leasehold: Approx 119 years Manchester St. W1 A 2 bedroom show flat remaining within this new development of 5 units behind a Georgian laçade and benefiting from a 10 year NHBC guarantee. Leasehold: A new 75 year losse JSA: Fields 0171 636 7889 £220,000

Savills, Knightsbridge 0171 730 0822

COUNTRY PROPERTY



Dunoon 10 miles ARGYLL - COWAL Glasgow 80 mins THE KNOCKDOW ESTATE About 2,447 hectares (6,046 acres) Fins estate on the edge of Loch Striven with mens Tensured farm, 2 furnhouses and 3 courses.

Substantial timber resources. Hill ground with afforestation approval.

Sporting potential and extensive loch frontage with salmon fishing. For sale as a whole or in up to nine lots OI738 630666

CHARTERED SURVEYORS, VALUERS, AUCTIONEURS & LAND AGEN

AN IMPORTANT AND FINE GEORGIAN HOUSE WITH SPECTACULAR VIEWS HEREFORESHIRE WORCESTERSHIRE BORDERS

TEDSTONE COURT, TEDSTONE DELAMERE BROMYARD, HEREFORDSHIRE

4 reception rooms. 10 bedrooms. 5 bullmooms, domestic offices and seriama quart
a large flat - formerly the billiand room, 2 cottages tadjoining the back of the house
entrance lodge, stable block and middlonal outbrikkings surrounding cobbiled yas
garraging, fund tends court, ourstanding easily maintained gardens and grounds
walled Luchert garden, majure parkland.

THE WHOLE EXTENDING TO OVER 22 ACRES

G. HERBERT BANKS

GEORGE TROLLOPE

SLOANE SQUARE, LONDON SW1

2 substantial and separate well appointed buildings arranged as 11 self contained flats (mostly with 2 bedrooms) in prime location.

The buildings are to be sold with the benefit of the goodwill of a successful long established business providing furnished service suites let on short term holiday tenancies.

Leasehold

£1,675,000

0171 • 824 8111



AYLESFORD 01713512383 EATON GATE, BELGRAVIA SW1 An extensively rebuilt and extended freehold property complets to the highest of specifications, situated in a prime position in Belgravia.

5 bedrooms; 5 bedrooms (4 en-suite) L' shaped Drawing room; Oning room; Fully fitted (Marien; 2 Cloakrooms; Sail Bedaiting room with south shower room; Roof terrace; video entry phone; wiring for Bang & Olusson television and hi-fi equipmen

BELSIZE PARK NWS
South Facing Roof Terrare
Beloim Facts Genders
Assistable to welv susceptishing
Mass to seen. Lavely bright top Boar file.
2 betworks, i reception room, Batharoon,
Stemer room, South facing roof street, Faily
filed hitchen, Unferpiebed, Wood floot, New
Mocession, Close to all suscensions, Two sides. No agents, £410 per week. regulagi/weekends 9171 586 3156

Mobile 9473 868

BARBICANICITY New June list of property for sale from \$35,000 Frank Herris & Co

BARESCAN 1 bad list overlooking take from recep and with perfeilly updated kitchen \$95,000 Frank Harris & Co 0171 600 7000

or easier still, lax us your visiting card on and we will send you a complete set of documentation

BOCA HATONIPALM BEACH FLORIDA Waterfront & Golf Course Homes. Commercial Invest. Buyer Rep. No Fee Confect Rostyn Censens, Hesitio, Fex your fet it it call you for details. Fact USA 407 241 8028 Tel·USA 407 347 2823.

PORTUGAL ALGARVE: Homes with SUPERBY CONSTRUCTED IN IOCEDIOUS TO SUIT, CONSECT PORTOGOS. Tel: 0181 810 0785 LIK or Fac 00 351 82 841285.

INTERNATIONAL PROPERTY LAKE GENEVA

legant renovated sectuded lakefront mansion, 15 mins from Geneva. in France I km from Swiss border. France I km from Swiss border, 16.200m* landscaped, park 1,700m* living space (incl. 5 offices). 6 (irreplaces, pamoramic view, detached servants house.

Tel: France 92 96 08 81 Provider 92 99 22 92 Fax: France: 92 96 08 48 ETERNAL CITY

OF ROME in front of Colosseum & Forum Romanum. 220 sq. m. apartmen with terrace for sale. Speciacular and unique views over the world famous historical monuments.

COSTA DEL SOL PROPERTIES Marbella Offices, For Information & Price list ring 0181 903 3761 anytime. Fex 3559

SCOTLAND DUMPRIESSHIRE Historic Thomshill village (pap 1800):2 and 8 bed Dungalows built by local craftsmem on a small excisative site of 40 (24 epid). Designed for those seeking quality in resistment, is at area of seeks beauty with quiet country road forests, locks, politing, fishing and walling.

Prices from £89,000 J.A. Roberto, Dechait Developments Uni Objection, Marse Park, Thornhait Duomines, OSE SER TW 011146-1245551 Fee 201120

13

MONTE-CARLO "PARC ST ROMAN"

£225,009

Modern Building with swimming pool, Beautiful 3-room apartment

167 sq.m. large loggia, sea view, south exposure, storage room and parking space (257)

M AGED 9 Bd des Moulins MC 98000 Monaco Tel 33-92 165 959 Fax 33-93 501 942

OLYMPIC RENTALS 1996 ATLANTA GAMES \$699/Person includes:

4 nights Hotel, Bresident buffet, Event Tickets, taxes & gratuities Fax requests to Cheryl-LISA (778) 394-6180

ALL FRANCE "The Heragen". Full colour magazine 100s of Franch props. For Ine-copy tel or lax 01497-821771

OPIO (Nr Cannes) Character property, very private gardest + pool for rent, sleeps 10/12. Coast & Country, the English Estate Agents on the French Phylins. 00 (33) \$3.75.31 07

FRENCH PROPERTY NEWS Monthly

(A further 25 acres of adjoining pasture land available by separate PRICE: OFFERS BASED ON £600,000 Telephone: 01299 896968

HOMESEARCH

HOMESEARCH **SPECIALISTS** Mills & Haywood will

save you time and effort in finding the right house or flat. 0171 834 1843

HOMETRUTHS Property Consultancy

We offer a retaily independent
we offer a retaily independent
and unblased Residential Property
Search service in London and the
Home Counties for personal
or investment purchase Also
Letting and Property Management. For further information please con Tel: 01892 890081 Fax: 01802 800

MALCOLM WALTON INTERNATIONAL Tel: 44 (0) 171 408 2444

LONDON RENTALS

We LUX 3 BED, 2 bath apt, wigrd plog £750 pw KCG 0171-225 3468. SW7 LUX 3 BED, 3 recep. 3 bath duplex apt 2915pw. KCG 0171-225 3458.

SW3 2 BED,2 bath apt nr Sloane Sq 2535pm KCG 0171-225 3468. 8W7 BRIGHT 1 BED1 bed got nr S. Ken tube 1295pw KCG 0171-225 3468.

INVESTMENT

INVESTING?

High yielding, secure

London properties.

Minimum investment

£20,000.

Tel: Investors In Property Ltd

0181 348 4771

Fax: 0181 340 5964

PROPERTIES, BUYING

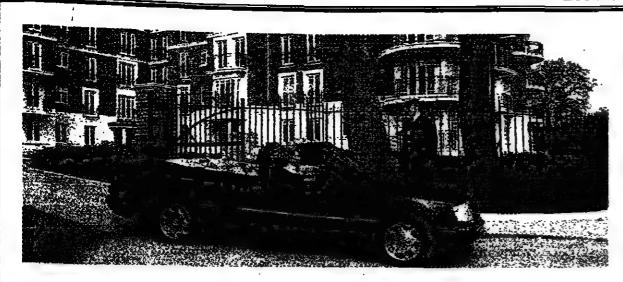
FOR INVESTMENT OR

OCCUPATION?

We will find the best

opportunities for you.

LONDON PROPERTY



Richmond Bridge offers an unrivalled opportunity to live in a safe, exclusive development with electronic security systems and underground parking to provide peace of mind whether at home or abroad. With friendly 24 hour security guards always on hand what could be better?

Secure

🤝 RICHMOND BRIDGE 🌣

LONDON'S PREMIER RIVERSIDE DEVELOPMENT



Richmond Bridge is a stunning development comprising 1, 2 and 3 bedroom apartments, townbouses with landscaped garden views and penthouses with communding views over the River Thames. The resident porter oversees the smooth running of the development

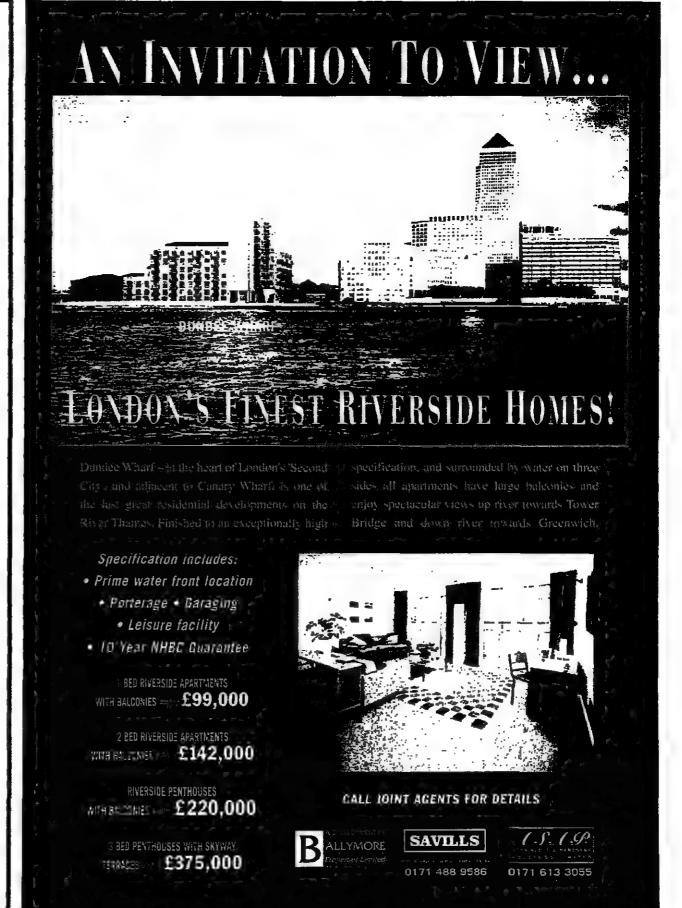


property has a 10 year NHBC

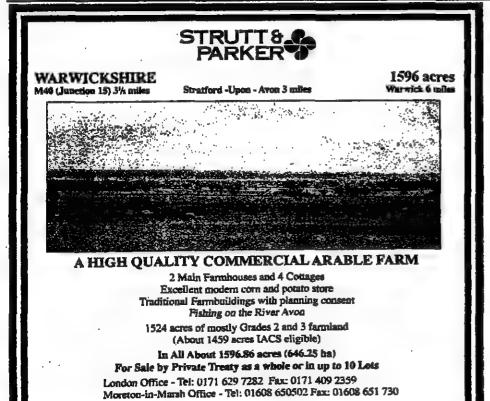
Apartments and townhouses now available

One bedroom apartments from:	£115,000
Two bedroom spartments from	2195,000
Three bedroom spertments from	\$250,000
Penthouse speriments from	5570,000
Three badreous townbouses from	P155.000

Call 0181 744 0113 for more details



COUNTRY PROPERTY



Woodland for Sale Kinniconick Forest Kentucky USA

26,900 Acres \$10,900,000

Oak/Hickory forest located on the western edge of the Appalachian mountains structured to provide either on immediate cash yield or longer term appreciation of capital.

For further details on this and other properties plans SMON YERDON OR MARCELIA STEPHEN AT: FOUNTAIN FORESTRY

MOUINGTON HOUSE, MOUINGTON, BANBURY, OXON OX 17 TAX TEL: 01295 750000 FAX: 01295 750001 Forestry Management throughout the UK and USA

The Property Supplement

will be appearing in the Financial Times on the 15th June 1996. For more

information please contact Charles Whitewood on 0171 873 4332

or Fax 0171 873 3098. Private advertisers please call Carole Hills on 0171 873 4935 INTERNATIONAL **PROPERTY**

Ref: 61CF 52721

Bahamas Oceanfront Development

Exclusive single family estate sites within a prestigious 60 acre gated community for 0-30 select families on peninsula with sandy beach and protected boating facilities. Buyers qualify for

Permits. Fax Inquiries (809) 352-3560 FOR SALE

Permanent Residency

IBIZA

sidential goff course property 00m2) within the 27 kele gold se Roca Liisa. Famiastic views to he see, subdivisible into 4-8 stands Price per m2 : 250. Cas be dealt denta AG, CH-Soot Zirich M. 9041 1 2213395 Fax 2210384



KINGSWEAR ON THE DART Enjoying a lovely stantion on the bunks of the liver Durt, a highly individual Marine Resident facing the south, with thursing verse over the stanty to the sur pass the Castles 2 was, 6 hole. 3 births, not kep Observation room. Cardens-thope draw to waters edge, with tanking 8. restring mooring, Color brockness. OFFERS OVER COMP. 2006.

LONDON RENTALS

Lake District NATIONAL PARK.

Keamely varies Me 2s males, Laved Grad

II Water Mill in award winning humbet of
Wythorp Mill in Busicothy-asso Lake
Mill Homes - Iomne, Interest 3 bushwam,
Indianous, Waters-kred, Mill Bushdog,
Mincous, Wheels-right and
[stackmenth's shops displays, Resument,
mailtary buildings, Ref. Valu. 2501/80
Larcham - Stome & Staff, Chemical Largest selection of quality properties £180-£1500 p/w. From 3 wks to 9 yrs. Chard Associates 0171 782 0792, 10-7pm

OPE COVE SALCOMBE Brandal

AUCTIONS



On the instructions of the Nobility and Gentry and others

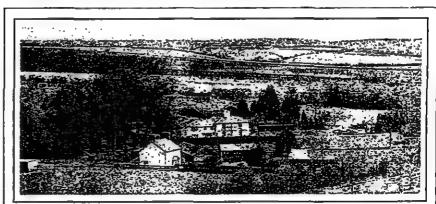
31 Lordships of the Manor and Feudal Baronies in Scotland and Ireland including the Lordship of Wimbledon, London and Lordships in Devon, Northants, Suffolk, Bucks, Somerset, Cumbria, Wores, Staffs, Cheshire, Warwicks, Herts, Leics, and

For sale by Auction
Stationers Hall, London, 2:30pm, Weds 26th June 1996
Illustrated Catalogue £15:00
(European Union) USS3(1.01) (Intl) Amex, Diners, MasterCard, and Vtsa

London SE | | GRE

Telephone, 0171-582 1588 Fav: 0171-582-7022 (mermational: 44-171)

INTERNATIONAL PROPERTY CONSULTANTS



WILTSHIRE, Hindon 441 ha (about 1,090 acres)

Warminster 12 km (R miles), Salisbury 26 km (16 miles). London abant 177 km (110 miles). A commercial working arable farm, with sheep.

Main farmhouse, secondary farmhouse, 4 additional dwellings. Grain storage for approximately 3,000 tons. Sheep handling facilities for about 1.500 ewes. About 400 ha (988 acres) eligible for Arable Area Payments.

> For sale as a whole or in lots Excess of £2.75 million
> Savills, Salisbury: 01722 320422 Contact: Harriet Tory
> Savills, London: 0171 499 8644



WARWICKSHIRE,

Moreton-in-Marsh 8 km (5 miles), Stratford-upon-Avon 24.14 km (15 miles), Oxford 48.3 km (30 miles).

An exceptional country house with excellent accommodation and an unspoilt rural outlook. 5 reception rooms, kitchen and domestic offices, 6 principal bedrooms, 5 bathrooms, (4 en suite), 3 attic bedrooms and bathroom. 2 bedroom staff cottage, garaging and outbuildings, Indoor heated swimming pool, Hard tennis court.

2,35 ha (5.8 acres) Offers invited for the Freehold Butler Sherborn: 01993 822325 Savills, Banbury: 01295 263535 Contact: Ian McConnel



BUCKINGHAMSHIRE

Milton Keynes 4.8 km (3 miles). MI (Junction 13) 9.6km (6 miles) Profitable 18 hole Golf Course in favourable catchment area.

Fully equipped 18 hole pay and play golf course (par 69), Clubhouse, Proshop, games room, Greenkeeper's Building and ancillary business. Growing membership and increasing turnover, Consumable stock to be taken over at valuation.

About 40 ha (100 acres) For sale by Private Treaty Guide Price: £1.25 million Savills, Banbury: 01295 263535 Contact: Jeremy Rollason



(1911) Saville Galbreath Offices & Associations Worldwide

Stopping for a chat in an old Ethiopian city

ard Burton, ish explorer to visit the old walled Moslem city of Harar in Ethiopia, and all you will get is a blank stare and a shrug of the shoulders.

But mention Arthur Rimbaud, the sensual, romantic French poet-turned-trader who came 25 years after Burton to spend the last decade of his life there, and people will smile and lead you to the house in which he was supposed to have

Why? Perhaps Rimbaud had a character more amenable to Harar's own distinctly hedonistic taste

"My day is done; I am leav-ing Europe," wrote Rimbaud after his emotional rupture with that other sensitive romantic, Verlaine. "The sea air will burn my lungs; lost climates will tan my skin. I shall swim, trample the grass, hunt, above all smoke; I shall



ing metal. I shall return with limbs of iron, bronzed skin, and flerce eyes; from my mask I shall be judged to be of a mighty race."

As a restorative programme it sounds a little wild. I have no idea if Rimbaud actually induleed in the extended binge he was looking forward to, or if it did him any good in the end he returned to Europe in 1891 a sick man and died within weeks. But certainly if he intended to tie one on. Harar was the place, Most Har-

aris do it every day. I spent my first morning in



Harar market: there is a brisk trade in the city in a commodity that today competes with coffee as the front-runner of the local economy

Harar sitting in the Wesen Seget, a bar by the old horse market in the middle of town. Full of idle café loungers, it is a converted warehouse where Rimbaud once kept the trade goods he exchanged for ivory and hides, civet musk, gum, and the celebrated highland coffee of Harar. But feeling neither poetic, nor love-crossed, nor in a grass-trampling mood. I was not inspired by the poet's example: I was drinking nothing stronger than mineral

On the far side of the square, though, I could see a brisk

trade going on in a commodity that today competes with coffee as the front-runner of the local economy. Chat, or catha edulis, to give it its scientific name, has been in use even longer than coffee on both sides of the Red Sea. In Yemen, in Saudi Arabia, in Diffouri, in Somalia, in Ethiopia – any-where in the region where Moslem tradition forbids the use of spirits - chat is a popular and much-traded intoxicant. It is the scotch of the Horn of Africa.

I strolled over to take a look. Chat looks about as interesting as any small, green leafy branch does. But the women selling it were magnificent.

With a long and turbid history, Harar, 800 years old, is a mixed salad of racial types. It is today the heart of an Islamic culture brought to Ethiopia during the time of Mohammed, and considered by Moslems the fourth-holiest city in the world. It was not only a city of learning; as a thriving commercial city-state linking the Arabminated Red Sea coast to the Christian highlands to the west, it attracted traders from across the Horn and beyond.

"Not the highest quality for good chewing," came a voice from over my shoulder as I contemplated the bangles and nose-rings of wild-looking Oromo women, the long faces

of Somalis from the deserts of the Ogaden, the urbane sophistication of Harari people them-selves. "But the softest leaves from the top of the stams are Endale Teffra, a short.

plump, friendly man, long ago

gave up chat-chewing as a daily pastime; it made him spoiled his appetite, turned him into an insomniac and angered his wife. These days, he explained as he bought the tenderest bundle of chat he could find, he just dahbles – well away from the con-

whitewashed stone walls of

Harar's alleys, is not so for the

town as a whole. When the

doubt justify the grandiose name of Boulevard des Etats-

Unis. But judging by the high

concentration of brass plates

on the doors, the road might

well have been better named

For a settlement with a poo-

ulation of less than 30,000,

Vichy is home to 120 doctors, with at least 70 specialising in

"thermalisme" - or the cura-tive effects of spring water -

particularly for the thousands of visitors who arrive each

year seeking relief from their

Walk around the town, with

its grand avenues, parks, hotels, public buildings and

shops, and there is little doubt

of the importance of the money brought in by those seeking

the waters - an activity impor-

tant at least since Roman

different and more damaging

tone during the second world

war, of course, when it became the headquarters for the gov-

ernment of Marechal Pétain -

a decision itself partly linked

to the abundance of hotel

space providing lodgings and

Since then, much has been

done to dispense with that leg-

acy. The administration certainly wasted no time in

attempting to wash away the

memory. Place Charles de

Gaulle. Place de la Victoire.

and Boulevard Président John

Kennedy are among the names

that dominate the street map

today - alongside, of course,

Avenue Thermale and the Parc

"Maybe one in a thousand people think about the Pétain

era when they think of Vichy," Michel Coulet, director of the

recently-opened Celestins hotel

and health complex, says dis-

missively. "It is marginal. Most

Without diminishing the

ugliness of the Pétain era, the

forces that have most shaped

contemporary Vichy remain most closely linked to its

numerous hot and cold ther-

mal springs. The mineral-

enriched waters have spawned

people couldn't care less."

des Sources.

offices for his collaborators.

Vichy's reputation took on a

Boulevard des Médecins.

The spacious turn-ofthe-century houses

overlooking the River

Allier in Vichy no

But that, he told me as we strolled off between the high.

French built the railway from Diibouti to Addis Ababa at the turn of the century, Harar lost its pre-eminence as a trading centre and much of its dyna-mism too. Side-lined into history, it follows slower, more languorous rhythms today chai capital of Ethiopia, the city's culture, commerce and timetable now revolve around

the little green shrub.
"Look," Endale pointed around. "Where are all the people who just an hour ago crowded the streets? They have been to the market, prayed at the mosque, and now are all at home chewing chat."

He was right. Apart from the lines of tattered, bearded beg-gars reclining on shady sidewalks, the hot noon-time even they, I noticed, were not memployed, but busy tearing isaves from stalks and popping them into bulging cheeks. One

chewing was pounding a wooden mortar with a heavy pestle, churning up a dark green mess that looked like baby-food spinach. Endale knocked at an alley-

side door and we were admitted into a walled courtyard. As in most parts of the Islamic world, the pleasures of private life in Harar are kept quite sep-arate from the often hard reali-ties outside — the high, airy, open rooms across the courtyard had little to do with the begging lepers, the roving street children, the refusemunching goats in the broken streets beyond the walls.

Yet Hararis are among the most gregarious and welcoming of people. Already lying. relaxed on rugs and bolstered rooms are really reclining rooms - Endale's friends Shakip and Muktar welcomed us with a smile and non-stop. chat-charged conversation.



Shakip chews every day, and usually in company - his house has all the voluble sociability of a bar in a private men's club. I was bidden to remove my shoes, shown a place to repose, and had place before me all the comforts of civilised male society - ciss rettes, tea, and a large, leafy bundle of chat.

If Muktar had not insisted on epeatedly passing me handfuls of select and tender leaves I doubt I would have got past the first mouthful. The stuff tastes just as you image green leaves might tasts - vile. Pink gin is so much easier.

Eventually, though, thought I began to see the point of it all. The world becomes more pleasant, friends more convivial, and while the body has no desire to make the alightest effort, the mind jumps lightly about with pleasure and agility.

Marco Polo, Cervantes, Orwell, Machiavelli, Chinese politics, mad cows, the Cuban missile crisis, the royal family crisis; inert and horizontal through the torpid afternoon, gambolling through these subjects and a dozen more. We talked, we chewed, we talked some more. Shakip, who rarely quits the walls of the city, feels no need to. At his finger-tips he has books and novels, a radio tuned to the BBC, and chat. What matter the world of real deeds?

Before I realised it the day had passed us the way history had passed Harar; dusk was falling and birds were gather ing in the trees. Would I not stay and chew a little more.

Dreamy, I declined. My eyes were feeling far from fierce. My limbs were not like iron at all. No one in their right mind would have judged me of a leave such things to Rimbaud.

> Nicholas Woodsworth

THE SACRED ART OF TIBET

A SPECIAL VISIT TO BHUTAN, TIBET AND KATHMANDU 23 March-13 April 1997 and 22 March-12 April 1998

This is a journey to the Himalayan Kingdoms of Bhutan and Nepal and onward to Tibet to learn more of the magnificent, yet scarcely understood sacred art of Tibet.

Our visit will be all the more memorable due to our good fortune in obtaining permission to visit the Paro Festival In the truly Buddhist Kingdom of Bhutan. Here in the splendour of their ceremonies and traditional costumes we shall have a rare opportunity to see and begin to understand the meaning of Tibetan religion and art and gain further insight into their way of life.

THE ITINERARY

DAY 1 London (Gatwick)-Kathmandu DAY 2 Karthyrausche Arrive med-Afternoon and stay 3 nights. DAY 3 Kathanandu Visit the richly carved Pagoda Temples of Durbar Square, the museum with its superb 12th-14th century Nepalese bronzes and the Monastery of the Living Goddess. Also visit the great

suddhist stupa of Swayambhurlath DAY & Kellingman Drive to Patien and see Durbar Square and the Palace Complex, in the afternoon visit the great Temple of Pashupatinath, the holiest of Nepal's shrines.

DAY 5 Kathmandu-Paro Fly to Paro and stay overnight. On a clear day the flight affords breathtaking views of the great Himalayan peaks. DAY 6 Thimps Onve to Shutan's capital since 1955. Here in the broad fertile valley of the Wang Chu River, visit the National Library which houses a splendid collection of ancient manuscripts and the Traditional Medicine Institute, where centuries old healing arts are still practise Time permitting visit the Handicrafts' Emporium of witness a mask and folk dance performance by the Royal Academy of Performing Arts.

DAY 7 Thimpu Visit the Tashico Dzong, Bhutan's administrative and religious centre on the banks of the river and the historic Simtokha Dzong which houses the Rigney School for Monastic South DAY 8 Tongsa Drive through the

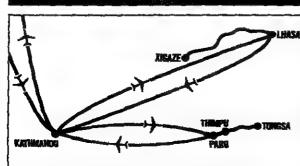
thickly forested mountain roads to Tongsa to see the impressive Tongsa Dzong, the ancestral home of Bhutan's royal family. Stay overnight. DAY 9 Thimpu Return to Thimpu at a lessurely pace, driving through magical countryside. Stay overnight.

For centuries, Tibet has lured Buddhist untouched by the modern world, isolated, pilgrims and foreigners alike despite its geographical Isolation and unmapped lands. Himalayas, its culture and traditions have Our access by air from Kathmandu will be quick and comfortable. Yet immediately upon arrival in the heart of Tibet at Lhasa we will have stepped back in time to a land that until recently had seen

little change. Similarly Bhutan, The Land of the Dragon' is hesitantly opening its doors and allowing a strictly limited number of travellers across its borders. Today's visitor accommodation whilst charming, will be is shown a fascinating society which is of a simple style.

like Tibet, by its towering peaks of the remained constant for hundreds of years. And in Kathmandu, old and new rest side by side, the array of Hindu pagodas and Buddist Chaityas a sculptors dream.

It will be an outstanding journey of appreciation of these mountain peoples, their art and the stunning scenery they inhabit. A monumental trip undertaken with a degree of comfort, although some



DRYS 10 & 11 Pero Astron drive takes us to Paro to attend various festival ons and visit the Rimpung (Paro) Zone, a treasure house of art and writings. There are splendid views of the whole valley. Permission will also be sought to visit the Taksang Monastery known as Tigers edge of a sheer cliff.

DAY 12 Paro-Kathmandu Fly to Kathmandu Stay 2 nights. DAY 13 Kathmandu Drive to Bhadgeon and see the Golden Gate, the Five-storeyed Nyatapola Temple and the Palace of Fifty Five Windows.

المداف يدارمسيون موالي ويدم الأمم المنافق في في ما مدار المجد المتحم ويستمس والدوار والوالد الراز

Chasa and stay 3 rights. DAYS 15 & 16 Linese Visits will be made to the Great Potala Palace. ounded in the 7th century and added to and restored through the ages. See the decorated halfs with their fine wall paintings, the magnificent functory pagedas, ritual vessels and porcelain. Also see the 7th century to Khang nastery, an important Pilgrimage Centre and the Summer palace. DAY 17 Xigaze Drive across the

vast Yangbainon Plateau and cross the Brainnapautra River to Xigaze.

DAY 18 Xigaze Visit the Tashilumpo Monastery, one of the six great centres of Lameism. See the Panchem Lameis throne in the Great Hall, the 15th century was paintings and some fine statues. Later see the market and the DAY 19 Lhasa Drive back to Lhasa

DAY 20 Linea A leisurely day visiting a market and the Drepung hillside Monastery built in the early 1400's, once the largest and richest monastery in the world.

DAY 21 Liness-Kethmandu Fly to Kathmandu. Stay overnight. DAY 22 Kettemands-London (Gatwick) Day flight arriving in the early evening. 1997/1998 DEPARTURE DATES

AND PRICES PER PERSON IN TWIN BEDDED ROOM 23 March 1997 22 March 1998 Single room supplement Prices subject to surcharge.

Price includes: Economy class air travel, accommodation in first class hotels. accommodation in first class hotels. Kathmandu and Lhasa and best available elsewhere, all meals except breekfast only in Kathmandu, ad excursions, local guides, entrance lees and donations, UK departure tax, Guest Lecturer, Tour Manager. Not included: Travel insurance, vises, airport taxes, greitslies

Note This Itinerary includes some high altitude visits. Anyone concerned about this should consult their GP. FOR FURTHER DETAILS

Please telephone 0171-409 0376

7 days a week during office hours)

old man with no teeth for Vichy seeks a new cure

Andrew Jack on an ailing industry



Victor straped by its thermal springs

ingredient in the white Vichy pastilles and the L'Oréal cos-

Yet the basis for the town's. success was, above all, its baths. From 1858, the French state granted the concession for the water to Compagnie Fermière de Vichy, which built treatment centres and recycled some of its profits into developing nearby shopping, parks, opera and casino facilities.

Walking round the recently renovated Centre Thermal des Dòmes, with its Ottoman-style towers and facade, you see clients in white robes and towels weaving their way between swimming pools, exercise areas and a series of cubicles in which they are hosed down, covered in mud or soaked in the water pumped directly into

Vichy's own trademark is the extremely popular four-handed massage, during which two masseuses (all are women) spend 10 minutes rub-bing different parts of the patient's body as high pressure water descends from a series of

Each of France's 100-odd thermal centres has its own speciality. For Vichy, it is numerous industries, whether rheumatology and digestive bottled directly, or used as an problems. But does it work?

Christiane Leprat from the Compagnie de Fermière has no doubts. Thermalism has existed since antiquity," she says. "If it's still going, it's because it is effective. Threequarters of our clients come back repeatedly. Some have been coming for 30 years."

She also points proudly to a scientific study widely cited in the town - a FFr4m report commissioned by the company from Professor Michel Revel of the Cochin Hospital in Paris. Between 1992 and 1994, his team studied 188 patients who suffered from arthritis. There was a significant reduction in the use of drugs by those 95 who took a thermal cure.

There is at least one strong alternative explanation for why so many people take the waters. They spend three weeks for a full "cure" in a calm environment, with plenty of free time to take advantage of the pleasant surroundings. And the costs of their treatment are largely reimbursed by France's generous social security system.

Doctors under France's traditionally generous health care system are hard put to refuse a request for the fear that their

clients will simply go else-where with their fees and find a consultant more sympathetic It is no coincidence that at

the entrance to Thermes de

Vichy, the town's second cen-

tre, right opposite the Dômes, is an office operated by the social security system, provid-ing help for those battling with the paperwork for refunds from the state.

Madame Leprat stresses that only 0.3 per cent of France's annual "secu" budget is spent on thermalism, and that those

who use it consume fewer drugs, hence helping to reduce national health care ex-Yet thermalism is clearly on the decline. Social security

now only reimburses up to 65 per cent of the cost of a cure, and hone of the accommodation and eating expenses. There are even reports now of some curists camping outside

the town.

Even before the cutbacks, many point to a glorious period up until the 1940s when reimbursement was hardly a priority. During the first half of the century, 125,000 visitors a year, including many rich North African families, spent lavishly in seeking treatment for the "colonial egg" or over-consumption.

"There used to be a real artistic season," laments Madame Leprat. "The station was à la mode." Today, there are only 13,000 people a year who make the trip, most of whom are retired and appear to have little inclination to spend more than the minimum during their stay.

That explains why the new luxury Celestins centre, recently sold to its own management, is shifting its emphasis. It still offers its competi-tors' array of massages and fitness sessions, but it is focused on a youthful, highspending thirty-something cli-entels, offering long weekend breaks and options such as personalised nutrition.

Coulet, its director, puts it bluntly: "Vichy can no longer live by thermalism." His alternative strategy may well be a more realistic one. But it is certainly not good news for the town's dozens of specialist doctors as the past generations of curists die out.

TRAVEL

he flames rolled quickly through the undergrowth flaring upwards here and there with noisy crackles as they fed greedily on the driest clumps of britile stems.

The hot midday wind fanned the fire forwards and it raced up the desiccated flakes covering the trunks of several paperbark trees, licking at the limbs above. It burned through the drooping dead fronds of a pandannis palm but moved quickly onwards.

Behind it, blackened logs smouldered in its path. Ahead, grasshoppers leapt to safety while stick insects staggered shakily away on either side, just the sort of tucker the black and whistling kites, circling through the rolling smoke, would swoop down to snatch. Another of Kakadu's controversial fires was well on its way.

Kakadu National Park, in Australia's Northern Territory, is the size of Wales and has now been accorded World Heritage Site status because of its cultural and wildlife importance.

The aboriginal people, or bining as they prefer to call themselves, have lived here for thousands of years, coming down from the Arnhem Land plateau when the wetlands developed around the mouths of four rivers - the East, West and South Alligators and the Wildman.

These perennial wet areas attract water birds, particularly magpie geese, in spectacular numbers as marshlands elsewhere, created so problically in the rainy season gradually disappear in the dry.

They are also home to numerous fish species, notably barramundi, and to turtles. The bininj thrived and it is estimated that about 2,500 lived here, inhabiting cock shelters, which they decorated liberally with increasingly sophisticated paintings, and moving around their territory to hunt, burning as they went.

For bininj, fire is a way of cleaning up the bush and a burned area is a source of satisfaction. The display in the new, turtle-shaped, Warradjan cultural centre, which complements a nearby hotel con-structed in the shape of a crocodile. explains that fire was used as an agricultural tool, a way of farming the bush, clearing some areas to make hunting easier and to reduce the danger from snakes, and encouraging a flush of grass to attract mammals. It was also used for signalling and, in some situa-tions, it had a spiritual significance.

Kakadu is controlled by the traditional aboriginal owners who have a majority on the board of manage-ment. The day-to-day running is carried out by the Australian Nature Conservation Agency. Jer-emy Russell-Smith, park projects officer and fire specialist, took me



Finding the fire people

Michael I. Woods visits Kakadu National Park, in Australia's Northern Territory

to Gulungul Spring in a rainforest filled gully and, as we ducked and weaved among the webs of spectacular venomous female golden orb spiders, he explained that the area has always seen fire, generally from lightning strikes in the late dry season when the burden of dry material was at its greatest.

Hot fires would rage down from Arnhem Land travelling for hundreds of miles and causing great destruction. The skill today is to create cool fires in the early dry season in order to protect areas such as the endemic Allosyncarpia rain forest, through which we were walking, against the risk of much hotter and destructive fires later in

Russell-Smith is currently training staff in the best use of fire. "We put fire into the landscape to work for us," he told me. "The art is in doing it sensitively, to burn as little as possible to maximise the desired

Although the palls of smoke hanging over Kakadu in July might suggest otherwise, this park is about much more than fire. I twice took a cruise on Jim-Jim Creek, which leads into the South Alligator River. Its entire catchment falls within the protection of the park. I shared the late afternoon boat with a party of school students from Melbourne desperate to see a crocodile. Our first sighting had them all hanging over the rail, almost providing the reptile with his supper.

On an early morning cruise I saw all five species of park kingfisher as well as geese, ducks, herons and egrets, spoonbills, pelicans, kites and sea eagles, many silhouetted

against a spectacular sunrise. I also travelled in the park with Roman Chaloupka who operates Magela Tours for the bining traditional owners. They run low impact trips to their traditional lands which are normally closed off to visitors. Roman introduced me to several trees, among them the pan-dannis palm and the milkwood, which, he explained, were important to women for basket making and medicines. We visited a number of rock shel-

ters, climbing up natural steps in the smooth creamy sandstone to find walls adorned with delicate dark red, ochre and white paintings of men hunting animals, men and women together, X-ray images of animals showing their bones and internal organs and pictures of spirits and their victims.

We rested on the warm rocks just as bining must have in the past, leaning back in the sunshine and looking out over glinting blue water winding through bright green marsh grasses towards the open forests where silver foliaged trees rustled in the wind.

The extent of this privilege only became apparent on the following day when I went to Nourlangie Rock, a shelter of significant size prolifically decorated and heaving with visitors. Fenced boardwalks keep grubby hands from the rock art. While this is done with sensitivity, there was none of the intimacy and peace of the previous day when, sitting in the sunshine, it felt distinctly possible that the occupants were simply out for the day and

were expected back at any moment On my last afternoon I called to say goodbye to Russell-Smith. He had spent his morning in a helicopter flying over a large bush fire on the park boundary with Arnhem Land, which had already spread into the deep guillies and was almost certainly among the Allo-syncarpia. It had been lit by park staff, clearly without the required sensitivity. In despairing tones he told me it was "not good, not good

at all!"

Michael Woods flew to Australia with Quatas whose return flight to Darwin costs £1,017 (tel: 01345-747767) as a guest of the Aus-tralian Tourist Commission (tel: 01793-707096 for more information on Australia). He travelled to the more remote and restricted areas of Kakadu with Magela Tours, PO Box 95, Jabiru, Northern territory 0886; tel: 089 792 411. The excellent Bowali Visitor Centre in Kakadu National Park will help plan your stay, tel: 089 381 100 and the cruises on Yellow Waters (Jim-Jim Creek) can be

THAILAND

Santiburi

Dusit Resort

Koh Samui where delime pavilions, international cuisine and free activities including watersports, tenuis and aquesh assets you.

I NIGHTS FROM

£1395,,

MORLOWIDE TRAVEL DESK

Fifth Prices Business First Class Bangkok R318 E2230 Business First Class Bangkok R318 E2230 Business First Class Bangkok R318 E2230 Business Fisch E2230 Business Fisch E2220 Business Fisch E2220 Business Fisch E331 E1031 Bingapore E344 E2280 Sydney E1205 E3295 Fiskyo E1440 E2744 Many other destinational gratilable

Many other destinations evaluable
Fax Enquires 0171 (37 3174

Meck / 0171 637 3146

01244 897 888

Irish country house charm

hariie Malzard still remembers, with obvious relish, the days when the McCalmonts lived at Mount Juliet. And so he should: old Major Victor McCalmont used to buy all his drink from him.

Do not imagine that was a trifle. In those days, says Irish country house authority John Colclough. Mount Juliet was run on the lines of a "grand turn-of-the-century

"I've still got some of that 1975 Charles Heidsleck champagne which the Major used to like down in the cellar," says Malzard from behind the bar of his pub in the

nearby village of Stoneyford.

Apparently Victor's wife Bunny (who died in classic Anglo-Irish style: after falling off her horse) used to ring up whenever she had been up to the races at the Curragh: "Charlie, would you mind sending up some drink, I've invited some

people to tea."
Oh, and they bought a bit of Guinness too. When the weather was fine the Major would seat himself on one of the great stone balls outside the front door, with a huge bucket full of beer and a collection of mugs. As the estate workers came past the house he would dish

them out a jar.
Until the McCalmonts sold the house, an invitation to Mount Juliet used to be a red letter day for the generally impoverished survivors of the old "West British" set in Ireland. Of all the grand houses only Mount Congreve could match it for splendour. A valet unpacked your case for you, and footmen

stood behind every chair at dinner. The McCalmonts were not a classic Anglo-Irish family, however. As Colclough points out, in one sense they were too Irish, in the other too English. Their roots were in Antrim in the north, but by the late 19th century they were ensconced in Cambridgeshire with the racing

Harry McCalmont was MP for Newmarket. In 1894 he inherited the fabulous sum of £4m. Eight years later he died at the age of 41. His wealth went to Dermot McCalmont. Victor's father, who was then just a

Mount Julist was still the property of the Butlers, Earls of Carrick then. Where the McCalmonts had got richer with the century, the Butlers had got steadily poorer. The McCalmonts began to rent the vast Georgian house in Kilkenny from

Elegant Resorts LUXURY HOLIDAYS WORLDWIDE

JAMAICA

Half Moon

Club

with elegant rooms, affresco restaunts, watersports, squash, seasts and golf on a

H NIGHTS FROM

£925 m

CARIBREAN TRAVEL DESK

01244 897 999

TOL MYS F FIR OLD BALACES SHESTER CHARRE REPLY CODE

the beginning of the century ln 1914 they bought out the Butlers.
The McCalmonts never abandoned their connection with the turf. They were at home in the world of racing. Ballylinch Stud came with the house. It was here that the Tetrarch, "the fastest horse

in the history of the turf", lived and Horses in various incarnations are still part of the appeal of Mount Juliet. When the McCalmonts could no longer afford to keep it up it was sold to Dr Mahony, the owner of the Toyota franchise for Ireland. Mahony uses sport to sell the hotel to its European and North American clientele. There is a golf course

and clay-pigeon shooting. The big house sits on a high bank above the River Nore with its plen-tiful trout. It dates from the 1700s and many of the ground floor rooms betray the influence of the Adam brothers. The best is the dining room, with its Wedgwood medallions. I slept in the Mount Juliet suite on the first floor where the chimney piece in the drawing room. with its crossed flutes and violin bows, suggested it might once have been a music room.

Mahony has recently installed Martin Nicholson to look after it all for him. Nicholson used to manage hotels in the Caribbean, but he is used to Ireland; he was born in Waterford which is only just down the road.

One of Nicholson's first moves has been to import his old chef from Caneel Bay in the American Virgin islands. Up until now the kitchen has played too safe. The new chef, Frenchman Denis Meurgue, has a perkier, more eclectic style.

Ope lunchtime I drove to Graiguenamanagh, a small town with 13 pubs and a pretty Georgian bridge over the Barrow. The Waterside (503 34246) has modern cooking and a well-chosen wine list.

Like Mount Juliet, the Waterside is evidence of a gradual process of modernisation in Ireland. Mount Juliet has seen such metamorphoses before: its charms were always available for a price, only now you do not have to welt for an invitation, and the cellar is still

■ Information: Mount Juliet, Tho-mastown, County Kilkenny, Ireland. Tel: 00 353 (0) 56 24455, Fax 24522. Prices for a double from £140 (low), £175 (mid), £205 (high).

BALI

Four Seasons

An exceptional beach resort

luxurious villas have private

1 NIGHTS FROM

£1865 pp

WORLDSTDE TRAVEL DESK

01244 897 888

GOLF

Giles MacDonogh

HOLIDAYS & TRAVEL

AUSTRALIA

tinest hotels

The Ritz-Cariton

West Coast USA & Hawaii

Exquisite surroundings. Excellent facilities. Five

star cuisine and superbly understated service

across the West Coast USA and Hawaii. Available from £63 per person, per night.

For our full range of stopovers and bolidays,

HOTELS

Indulge sourself in private tranquility at the exclusive Nusa Dua Spu, where we'll coothe you hody and will with fragrant berly. spices, flowers and oils during

After your stay at Buli's grandest pulace of luxury, the recently transformed Nusa Du Beach Hotel, you too will be truly transformed.

A SECTION OF PROPERTY AND ADMINISTRATION OF PERSONS ASSESSMENT ASSESSMENT ASSESSMENT ASSESSMENT ASSESSMENT ASS

Sive your body the royal treatment at Balis palace of luxury

TAILORMADE SAFARIS

Tel:(01604) 28979 Fax: 31628

AFRIGA

EXCLUSIVE

AFRICA

ZIMBABWE BOTSWANA ZAMBIA

Enjoy lustify & cochetion or small exclusive camps & lodges. Excellent game viewing with lop guides in open whiches books on foot or horsebent. Light strent franchers a Security to steel waterbish heliday Limb

io sine valuoni nondiy late Felt: 01489 878693 or 0171 240 7585

n House 66 Palmersion Rd nglan, NN1 5E3

traditional Balinese massage. hody wraps and polishes.

₹.

Then float away in aromatic vaunas, plunge pooks and steam bathe, or civit our Body-Works Studio and lap pool with underwater piped music.

SAFARI

Tim Beat Travel

ETHIOPIA

Churches & Palaces of

Lalibela & Gondar

Queen of Sheba's Axum

Lake Tanu & Blue Nile Falls

Rift Valley's tribes & wildtife

68 Old Rrompton Road

VILLAS

The best vittes are now and have been

for 26 years in the Palmer and Parket

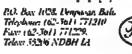
due book - all have their own poels at

Available Algarve, Marbella, Cote

D'Azur, and Caribbean.

Lundon SW7 3LQ Tel: 0171 591 0300 Fax: 0171 591 0301







Executive Hotel Reservations

£45.00

Also WORLDWIDE

Whilst care is taken to establish

that our advertisers are bona fide.

readers are strongly recommended

to take their own precautions

before entering into any





TRAVEL POPurhama S PORTFOLIO PRI PER CRUISING

OFFICIAL OFFERS AND ADVICE TO \$1

0171-935 1335 major cruise fines - Brochure available 0171 431 7373 ASTA AFRICA SCOTLAND

CROFTE & CASTLES Trustlenul & INIDA: holiday properties throughout Scotland for perties of 2 to 22. Fishing, shooting, golf & catering available. Colour brochurg for 01635 87 07 44, Fax 01835 87 07 11 TANZANIA Wake to the song of exotic birds, walk to the mows of Killmanjaro, viol-the lions of Sevenged, smell the spices of Zangbar and face on the white sandy beaches of the Indian Ocean.

none 9181 451 5300 now and he us plan your tailor made holiday. CORDIAL TOURS AND TRAVEL SERVICES

OZ tr £499 Ty from Gatwick, Man r Glasgow on xcalibur Airways, Britannie & Airtours (Oct-Mar 97) to only £38.
FREE BROCHURE
Barrie Transi Barrie Travel Service (01923) 26 12 66 ANTA BOOKS

ITALY

TUSCANY, LINERIUA and coacial regions in lially. We have some of the best private village 8 terminouses with a, pools areal. Excellent trouvledge as the deal direct with owners at in our spendid Tuscany new colour brochure. Tel: 0171.372.5488, Fac: 0171.272.6184

FDALY: Best private trouse rentals, pools/stall City apartments. Rosle Sutherland Ltd. Tel 0181 749 9118 Fax: 0181 743 5394

FRANCE

swimming pool & maid. Sleeps B & available August. Contact French Chapters

for this & other beguithly properties to ren

PROVENCE REMAIN VIOLET TAMES

Scotland 01582 44 55 66 TUSCANY Beautiful villa overlooking the set on Argentario Peninsular. Pool and read sleeps 15 Now available 15 July for 3 weeks. Contact International Chapters for the and other beautiful properties to reri in tally Tet 0171 722 9560

GERMANY Daily low cost flights and hotel accommodation. Call us for Munich Beer Festival 20 Sept - 6 Oct. 0181 429 2900, VisulAusest ABTA, IATA, ATCL 2077. TUSCAN COUNTRYSIDE when Flowers.
Former Srives castle 12th century, now apertments of character, sot in itselanate gardens with 2 swimming pools.
Tel: 0181 987 9919, Fax: 0181 747 8343.

LONDON LONDON ACCOMMODATION Stash your

Villas with pools Golf/Tennis/Waterspo HOLIDAYS by Design





Germany, E. Europe, Ainca, MidEasi, Indian Sub, FerEast, South America CLUB / FIRST CLASS 0171 724 2255

CARIBBEAN

A Child (2-11 yrs) is

FREE when sharing a 2 week All inclusive holiday with 2 adults at the

4★ Rex Grenadian on Caledonian Ainways Adults pay £1398 per persor Dep. Gatwick 24 Jul-14 Aug

HAYES and **≋** JARVIS 0181-748 5050

ST BARTS LEasily will pools to rent in ceradise. Contact Carbin paradise. Contact Cartiblesin Chapters new brochure with details of these & of villas on 20 islands. Tel: 0171 722 0722.

Golf Charter for Ireland Perhaps not a charter, but certainly a unique lfing chan, li summarres facts and figures of our 88 selected golf courses to golfing holiday in Ireland. You will find this and much e besides in our beautiful Irish Selection brochure Write or phone for your free copy, TIME OFF Freepost, London SW1X 7YY 0171-235 8070

IRELAND





Gardening/Robin Lane Fox

Season of fruitful conflict

graphs of Cow Parsley in full beauty at this time of year. It looks divine, but it will look a s we enter June, our images of nature and the garden stand in fruitful contradiction. My images are still tinged by memories of last week's show at Chelsea. They are haunted by the ideals of tidiness and exact staking with which I grew up. Images of nature are at their most seductive. When you look at a wood of bluebells or a field of buttercups this are not merely at their best when anything, even nettles, is weekend, you may well wonder looking green and inspiring. why we need hidy gardens and why we do not all opt for the

This seductive opposition has always been strong and I think that it is set to become even more prominent. Cost, time and labour tell against intensely tidy gardening unless you happen to be a millionaire in early retirement. It is here that the other side of nature is waiting to burst out as June begins. The sudden rains have promoted a remarkable crop of young weeds where there was hare soil only two weeks ago. If we opt for the natural road, how do we cope with nature's own hordes which wreck a conventional garden?

answered by artistic photo-

mess in three weeks. The place to enjoy it is on the perimeter or on a walk far afield. I have no sympathy with those who try to promote these images as the way forward in gardening. One aim of good gardening is to extend its season, maintain interest beyond July and please a range of plants which

On the other side, I am not alone in admiring, but avoiding, the precisely controlled order and neatness of many great gardens which can rely on a staff of two or three. We can, I suppose, imitate them in small spaces, but my garden of nearly two acres is not small and I appreciate the advantage that I can grow, kill and satisfy a much wider variety of plants than in the small casis of per-

fection, 50 yards square. What we want is a style of manageable order among a wildness which is not too demanding of our time or too dangerous for our plants' well-being. This style must This question is not continue for longer than the it newered by artistic photo-easy weeks until the end of June. I continue to experiment, but am not sure that I am win-

Where do you go to see the possibilities? After a recent visit, I am tempted to say Great Dixter in East Sussex, open daily to afternoon visitors and home of our senior authority and writer on gardening, Christopher Lloyd, Much has

Apparent disorder is based on an extremely vigilant and critical eve

been said and written about this remarkable garden, includ-ing its taste in unexpected colours and the owner's gleeful removal of his rose bushes a few years ago. True, the roses were replaced by the ultimate abomination of polite gentry taste, batches of the reviled Canna. I do note, however, that the Canna-for-rose policy had already been sketched in Christopher Lloyd's classic book, The Well Tempered Garden, in

which interests me most is the garden's constant dialogue with the line between ordered tidiness and the natural world. enhanced by its owner's matchless eye and knowledge.

The line is most evident in the garden's areas of unknown meadow where the grass is suitably restrained and allows a competing colony of "wild" flowers. The meadow sections have been built up over time, but I have come to see how the same openness to plants and. effects more usually classed as "wild" or "natural" run through much of this famous

garden's planting.
There is a similar air of controlled wildness through so much of the planting, even though its natural peak of early June is long past in the surrounding countryside. How does one do it?

One precondition is to widen the scope of our knowledge and sensitivity. Anything from woodruff to moderately rampant spurge is pretty if you look at gardens with an eye which comprehends more among wild flowers than the annual spectacle of buttercups or bluebells. Lloyd knows so

1970. All these aspects of Great much more than the rest of us.

Dixter are famous, but the one but he exhibits this knowledge in part in his re-definition of the line between the standard "garden" plant and the crea-tures which botanists classify in nature.

On principle, he also likes parts of the garden to have a gently invaded look. There must be a certain relish in hearing of visitors who think that it is looking messy or going back now that the owner is over 70. I am one of many who can testify that next to nothing is there because the owner has not thought whether he likes it. The prowl begins from 7am onwards, guided by eyes which

miss next to nothing.

Apparent disorder is based on an extremely vigilant and critical eye and perhaps we can find the example which will push our own definitions of gardens and wild nature into a closer harmony. My ideal is to have a garden which looks as

if it is just going out of control.

This weekend, that ideal is easy to realise for anyone who does not have an army of staff. It is less easy to re-create in late July or October. It is here that even at Dixter, the old dilemma asserts itself. What



David Austin Roses introduced seven new English roses to Cheises this year including 'A Shropshire Lad

you see, and should certainly visit, is a large garden, con-stantly maintained by this country's most knowledgeable private gardener and a team of up to four headed by the tire-less Fergus, the all-important head gardener. It takes so

many people to maintain a great garden which looks wild in parts without being uncouth. If we are to emulate this example in gardens of half an acre or more, we still need to temper the style so that we are not swamped with butter-

cups or invaded by bindweed. The Well Tempered Garden is the most admired title of Dixter's owner, but the truth is that it is a creation against the background of nature which is always remarkable for a bad-tempered ability to hit back

Motoring

A curvier image

Stuart Marshall on the rounded lines of Volvo's \$40 and V40

olvo cars and curvaceousness are no longer incompatible. The old school of Volvo stylists, who must surely have cut their professional teeth designing shipping containers, have gone. In their place is a team led by Peter Horbury, an Englishman, who clearly thinks cars should be rounded. not rectangular.

As a result, the new S40 and V40 Volvos are as different from the traditional ones as chalk is from chaese.

The Volvo 840 is a four-door saloon, the V-40 (the V stands for versatility) is what you and would call an estate though Volvo shies away from simplicity, preferring to describe this five-door with lots of luggage space as a touring estate.

Curiously, BMW and Rover have the same hang-up with their 3-Series and 400 life-style load carriers. They call them Touring and Tourer respeclively, presumably to kill any ideas that they might be used to lug plastic begs of house-hold rubbish to the corporation

\$40 and V40 are made in the Netherlands, rolling off the same production line as Mitsubishi's Carisma in a plant jointly owned by the two car companies and the Dutch goveroment. From this, one might infer that \$40 and \$40 and Carisma are rehadged clones but nothing could be further from

the truth.

True, they share the same platform - the modern equivalent of a chassis - and their critical dimensions are identical so as not to confuse the robots. But only 20 per cent of the bits and pieces are shared. Volvo uses its own engines, transmissions, suspensions and body panels.

Mitsubishi has aimed the Carisma, a highly competent if uncharismatic car, at the Mondeo/Vectra market. Volvo's ambitions for \$40 and V40 are higher, with the Audi A4. BMW 3-Series and Rover 600 in its sights, for the posher examples of its large model range at any rate.

Volvo is offering \$40 and V40 on such an extensive pick-and-mix basis that what the customer gets is not quite an individually tailor-made car but at

least a stock special.

There are four "platform" models - 1.8-litre and 2-litre engined \$40 and V40 - priced from £13,800 (1.8 S40) to £14,800 (2.0 V40). But this is only the beginning. Buyers have six specification packs to choose from, ranging from a handling pack (sports suspension) to luxury (air conditioning and

Then there are 40 individual options - everything from a passenger airbag (£200) to integrated child seats (£250) - and 12 paint colours. In theory, 14,000 different derivatives are on offer.

The four-cylinder, 16-valve engines are Volvo's own and are closely related to the fivecylinder engines powering Volvo's first really modern car the front-wheel driven 850.

Although the 1.8-litre produces 115 horsepower com-

9

pared with the two-litre unit's 140, its maximum torque (pulling power at a given speed) is only marginally less and is produced at lower revolutions. So, in practical terms, the two cars feel much the same to drive at

legal speeds.
The 1.8-litre is said to take just over one second longer to reach 100kph (62mph) from a standstili (10,5 seconds against 9.3 seconds) and - as if it-mattered - has a lower top speed (121mph/195kph against 130mph/209kph).

Realistically, it is the handling pack that makes most difference. The first new Volvo I drove was the £13,900 SV40 entry model. Frequently I prefer basic models to their sportier variants but in this case, I found the cheapest 540 was bland beyond belief.

On the A9 between Inverness airport and Skibo, it could have been any of the similarly priced European (or Euro-Japanese) competition and I was deeply sceptical of Volvo's claim that the \$40/V40 could

Volvo Car UK expects to sell around 7,000 S40 saloons and V40s this year

look a BMW 3-Series or Audi A4 in the eye.

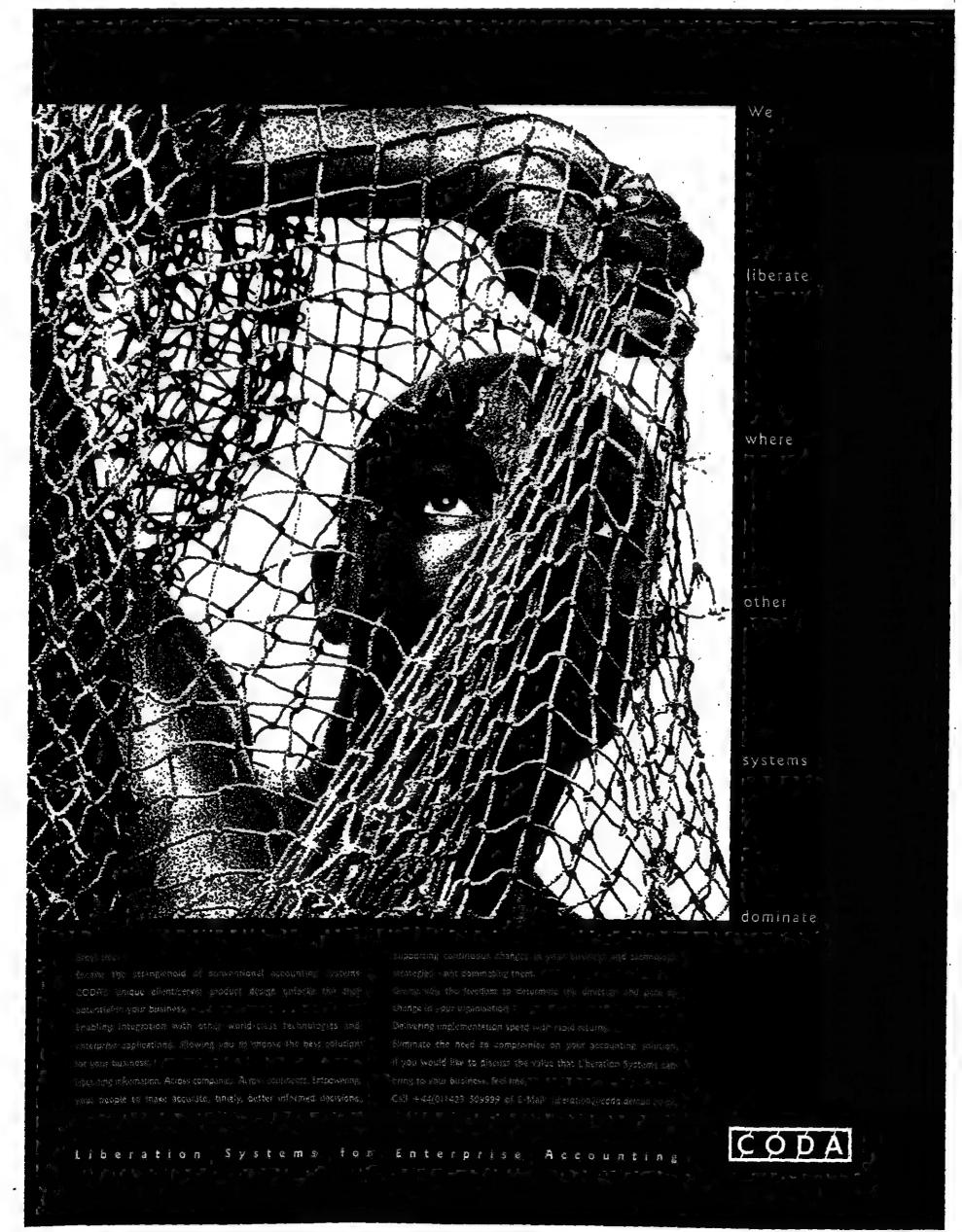
Next day, when I drove west to Ullapool in a £19,000-plus V40 1.8 litre with a handling pack, leather seats and all manner of luxury items, I was

persuaded it could have been a BMW or Audi It felt more solid, sat down four-square on the road and cornered with greater precision. The engine and five-speed manual transmission were identical; so, of course, were the standing start acceleration times and pick-up for over-taking. But in character it was an executive car, not a "repmobile", and as pleasing to drive as the basic model had been

boring. Switching to a two-litre V40 for the return leg to Skibo revealed only marginal performance differences. Volvo Car UK expects to sell around 7,000 S40 saloons and V40 touring estates this year, rising to 20,000 next year, when a 1.9-litre turbo-diesel will be added to the range.

The trouble with motor shows is that everything on display is static when the whole purpose of all those gleaming cars is to provide personal mobility. So full marks to BBC's Top Gear programme for setting up

a new kind of motoring event at Silverstone Circuit, Northamptonshire, from July 18-22, The exhibits will be seen in action and some will be available to drive - under supervision and on payment of a fee. For full details, call BBC Haymarket Exhibitions on 0171-402 2555 (fax 0171-402 0920).



and programments are the content of the content of

OUTDOORS

Everest shows its wicked side

Richard Cowper has just returned from the Himalayas. His report focuses on a mixture of success and tragedy

n a season marred by tragedy, Alan Hinkes, Britain's most controversial and outspoken Himalayan mountaineer, has finally made it to the top of Everest on his third attempt, bringing to six the number of 8,000-metre peaks under his belt, more than any other

But his unlikely climbing partner, Brian Blessed, the 16stone actor, was forced to turn back just 1,468 metres short of

Blessed is obsessed with his hero, George Leigh Mallory, who disappeared in mysterious circumstances on the north side of Everest in 1924. The actor turned back osten-

sibly because of high winds, fear of frostbite and exhaustion. But this may have only been part of the reason. Just four days before the two

climbers started their summit attempt on May 15 up the windswept north ridge, news had started to filter back down the mountain of the first of 10 deaths on the mountain, the greatest number of people to have been killed on Everest in a single season since climbing began there in 1921.

In particular, hearing how two Japanese climbers, Hiroshi Hanada and Eisuke Shigekawa, were said to have ignored three dying Indians on their way to the summit on May 11 so horrified the sensitive actor that his normal self-confidence seemed to have deserted him. "The winds were terrible.

The death of the Indians and the bad weather patterns really did help me make my mind up. My fingers and feet were beginning to suffer frostbite. It scared me. Everest was show-ing a wicked side to its nature," says Blessed, explaining his decision along with Martin Barnicott, his personal guide, to turn back at 7,380

This was to be his first and only attempt on the peak this spring. "Mental stamina is the most important. My heart no longer seemed to be in the climb. By then I had blown it. I couldn't recharge," said the

Had Blessed gone to the top he would have had to walk past the frozen bodies of two of the Indians, one at around 8,680 metres, 50 metres above the second step, the biggest climbing obstacle on the ridge, and the other 100 metres above Camp III and below the first

Physically and mentally tougher, Hinkes and TV director Matt Dickinson - who was making a film based on the premise that Blessed would get to top – descended to the North Col at just over 7,000 metres along with the actor. But the following day both were strong snough to head back up, eventually to reach the summit on May 19 in mixed conditions.

Hinkes used oxygen for the first time and brought up the rear behind three sherpas and Dickinson, all from the British 1996 North Ridge Everest Expedition. He said: "I did not feel I was pushing the boat out like I was on K2. Even if I did use oxygen, its done. I don't regret

"My job was to film from the top. It felt like a day in the Alps except for that one poignant moment, just below the summit, when I came across the Indian without his jacket, lying in the snow."

Perhaps partly driven by the loss of his mother at the age of 12 and a father who never appreciated him, the refreshingly direct Yorkshireman makes no secret of his ambitions. For him Everest is simply the biggest tick on his way to mountaineering stardom.

Pakistan Karakoram mountains in his drive to become the first Briton to climb all 14 of the world's 8,000-metre

peaks, a feat achieved so far by

just four people.
"We have been totally overwhelmed by other nations in this respect. I hope to bag them off as quickly as possible by the safest routes," said a jubilant Hinkes, after brushing off suggestions that his oxygen-led ascent of Everest's north ridge route may have lacked style

and originality.
On Everest this spring, Hinkes was not alone in this respect. Of the 15 expeditions on the Tibetan side, involving as many as 200 climbers, only three were attempting anything remotely aimed at pushing back the boundaries of Himalayan mountaineering. Most impressive was a Russian team's successful attempt on a beautiful snow and ice gully, newly named the

- just to the

eest of the North Col. Also trying to break fresh ground was Hans Kammerlander, 39, the Italian partner of Rheinhold Messner. He was the only climber on the north side to reach the summit without the use of bottled oxygen this season and he combined this with a hair-raising part-descent of Norton's couloir on skis, the most prominent feature on the great north face of Everest. A complete ski descent was made impossible by the lack of snow in the couloir and a band of

Siberian couloir

For Hinkes, **Everest** is simply the biggest tick on his way to stardom

ice-cliffs about half way down. Earlier a Slovenian attempt to ski the same couloir failed when the expedition's only skier, Davorin Karnicar, suffered severe frostbite in the fingers of one hand.

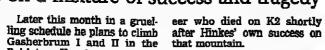
To date, there has been no accepted ski descent of the world's highest mountain. A Japanese attempt more than a decade ago involved a descent in the no-man's land between Lhotse and Everest and has not been counted as a descent of the mountain proper. Kammerlander's claim may meet the same fate because of its intermittent nature.

Hinkes, meanwhile, remains unmoved by pleas from fellow British mountaineers to "fulfil" his own undoubted talents by going for new routes on the big mountains. For him, being a highly competent journeyman mountaineer, successfully making a living, is acclaim

enough. Blond-haired with ice-blue eyes, when he is not away on expeditions he acts as a model and adviser to Berghaus, the mountaineering outfitters owned by Pentland, the sportswear and consumer products group. He is also sponsored by Land Rover.

A typically uncompromising Yorkshireman, Hinkes is undoubtedly at the pinnacle of his career as a climbing athlete. His success on Everest this year comes after he achieved his own personal high point last July when he climbed K2, what he calls the "mountaineer's mountain".

But in spite of these public triumphs he has gained a controversial reputation among his peers, notably for his insensitive criticism of Alison Hargreaves, the British mountain-



If Hinkes is capable of defying popular opinion, so is Brian Blessed. Among public, family and friends alike it was assumed that the star of Cats and Z Cars would be making his very last attempt on Everest this year, come what

Yet just two months short of his 60th birthday, the actor says he plans to go back to the south side of the mountain within three years to try for a fourth shot at the summit.

"It is not that I fear a dream has finally ended. It's simply not time to quit. Sherpa Tensing went to Everest seven times before he finally succeeded," says the unabashed

■ Richard Cowper was sup ported on the expedition by North Face, Berghaus, Bolle, Snow + Rock, Lufthansa and Kodak and Himalayan King-



On the north side of Everest; loading up at bese camp in Tibet at 5,200 metres. Everest, with its steep north face pyramid, is in the distance

The NCR Scalable Data Warehouse.



Half the world relies on our data warehouses.

If you're serious about using data warehousing to gain a competitive edge, choose NCR. The company that IDC says is number one worldwide in data warehousing.

NOW IN DATA

pentium

NCR – a name synonymous with business systems for over 100 years. We have the technology and expertise

to help you transform nuggets of data into vital customer information to help you make smarter, quick decisions. With industry leading databases like Teradata, Oracle and Informix.

Knowledge that is already helping some of the world's largest banks, retailers and airlines understand their customers needs.

> Expertise that has made us the world leader in data warehousing.

The world's most experienced data warehouse professionals can help you set up and maintain the most scalable data warehouse on the planet.

To get more information about NCR's scalable data

warehouse call 0171 725 8989, or experience our data warehousing capabilities first-hand at: http://www.ncr.com







All WorldMark servers shown feature Intel Pentium Processors. The Intel Inside and Pentium Processor logos are registered trademarks of Intel Corp. © 1996 NCR Corporation. All rights reserved.

n order to research and write this book the author, a young black Oxford University doctoral candidate, spent a year living as "one of the boys" among two groups of young black Londoners. She states, in her introduction, that her "study" is of "culture".

"I believe that the collective styles of black youth...can only be strengthened by the resistance to any imposed defi-nition of 'blackness' and the recognition of the cultural battie for the ideological space to be 'black' - whatever that may

Well indeed, whatever that may mean. Claire Alexander achieved her doctorate with this study, and will in all probability go on to enjoy the fine career that she deserves. But there is a problem with this book which speaks to the heart of the academy, the publishing world, and ultimately to British people's understanding of the wealth of history and research on their doorstep One of the more disturbing

THE ART OF BEING BLACK by Claire Alexander Oxford University Press £16.99, 209 pages

recent developments within the American academy has been the growth of "black studies". Historically such departments evolved out of post civil rights optimism and (it has to be admitted) guilt.

Initially these departments were underpinned with research and scholarship which keyed into history, literature and sociology in a rational and coherent manner. These days they seem to have become dumpbins for scholars and students whose main qualification for membership is what they see in the mirror when they brush their teeth in

the morning.

As though fearful of appearing to be unhip (or dere we say "unblack"), their "high" work is often peppered with references to "low" work, which authenticates their otherwise. authenticates their otherwise tenuous (and often tenured) position. Alexander punctuates the passage quoted above with these three (relevant?) lines from the British soul band Soul II Soul: "Whatever you

Yours, That's the nature of Had she not informed me it was Soul II Soul, I would have

guessed at Abba.

The Art of Being Black ushers us through the primary areas of contemporary young black people's lives. We move from the home, to work, we explore their social life, and their attitudes to their peer group and to women.

The narrative structure is in three parts. First, there is Alexander's first-person engagement with her "players", (as she terms them). "On a night out with Clive and Nathan, walking across Leicester Square to get to a wine bar . . ." Second, there are the first-person extracts from conversations with her players, "My colour does interfere quite a lot with the positions I can

tie Death of First Adulthood

was looming up ahead. This is not as alarming as it

sounds. "The New Map of

Adult Life", printed in colour

on the endpapers of Gail Sheehy's New Passages, resem-

bles nothing so much as a

guide to a theme park.

This is life as a Disneyland.

adventure, with the low points

(menopause and a Meaning Crisis for both sexes) compen-

sated for by an Optimism

Surge, Passage to the Age of Mastery and the promise of

Life ends, according to this

optimistic schema, not with

death but a leap off the edge of the page into the Uninhibited

page on page of statistics, interviews and unintentionally

hilarious prose - "He described

the many different opportuni-

ties for closeness on a golf

course" - which illustrate her

thesis that there has been a

revolution in the adult life

What this amounts to is that

many people now look and feel

five to 10 years younger than their biological age. This is so

obviously true, especially for

women in middle-age who

remember how conservatively

their own mothers dressed and

NEW AUTHORS

ALL SUBJECTS CONSIDERED

Fiction, non fiction, Biography. Religious, Poetry, Childrens

ALITHORS WORLD-WIDE INVITED THE OR SEND YOUR MANUSCRIPT

MINERVA PRESS

s. Sheehy's text follows,

Mature Love.



Cultural references

Caryl Phillips goes in search of the real black British experience

get ... I think they think of me as another coon, a black person who thinks he's got a bit of brains..." As long as the book stays true to these two narra-tive points of view, it remains on relatively stable ground. However, the third and largest portion of the book is writ-

ten in the flatulent, unneces sarily obfuscating, and redundant argot of an academy which is unsure of its own legitimate connection to the real world and seeks to "control" that world by appropriation of its vocabulary or by throwing up a smokescreen of mumbo-jumbo which does disservice to both the players and

the English language. Surely there has to be another way of talking about a haircut than this: "What it meant to those wearing it remained lamely unconsidered merely assumed. It was also assumed that because the external trappings had only then reached public attention, the impetus behind them bad itself been recently created." The "art" of being black (in itself not a bad, if somewhat minimading, title) was first explored by the American intellectual W.E.B. Du Bots in 1908. He described the "Negro condition" as being character-ised by a kind of "double-consciousness", a state of being in which, as a black person, one was often forced to look "at one's self through the eyes of

The gap between one's sense of self, and this knowledge of how others viewed one, was the space in which most black people lived. Black people's ability to be both aware of the stereotype, and to manipulate their lives in this often parrow zone, has constituted the 20th century condition of those of

the African diaspora Bearing Du Bois in mind (and Alexander quotes from him), the book's conclusion is disappointing. She is able to sum up, in less than two pages, what has happened to her players. It is a shame that she should be so brief, because we do learn about the black English condition through her

field work. It is only when she returns to Oxford to process her work that she loses us.

The stories of young black people trying to get to university with neither money nor parental support, or of the dif-ficulty of living with parents who are still culturally attuned to a world they left behind 40 years ago, are narratives which aught to form the heart of the

yet familiar, creature: the doctoral thesis buffed up for publication, and to this end the publishers have to take some responsibility. The "triple" narrative is not properly stitched together, for the book lurches clumsily from one point of view to another, and it is overly foot-noted and at times: incorrectly so.

The author makes much reference to a pioneering work in this field, Endless Pressure by Ken Pryce, which does, thankfully, place primary emphasis on the author's field work among the black community of Bristol. Pryce states in his

introduction that the research took place between 1969 and 1974. Alexander's book, however, continually states that the book was published in 1967. Endless Pressure was, in fact, first published in 1979. Oxford University Press has

rushed into print with a British companion piece to the "culturally black" US academic work that it published by Henry Louis Gates and Michael Eric Dyson. But a greater service to this author would have. been the provision of better editorial help and back-up in making the often difficult tranaition from thesis to book.

To allow Alexander to conclude with the following statement is an abdication of editorial responsibility, for such banality does a service to nobody, least of all the black British community which has been a presence in this country for 500 years:

Being black' is at once a demand for inclusion within the bounds of 'British' identity and a celebration of hybridity - T am not, really, a stranger any longer" (Baldwin 1985) It makes no sense for Alexander to litter her text with quotes from Cornel West, Henry Louis Gates or even James Baldwin, while failing to mention Oladauh Equiano, Ignatius Sencho, Robert Wedderburn, Mary Prince or any of the black British writers and citizens who have struggled to be included "within the hounds of 'British' identity". These people are the direct anteced-

In this same manner, as eloquent as the American acaiemic icons are, the pioneering work of Paul Edwards, and the work of James Walvin, to name just two British academics, has provided a more stable and critically important platform for scholars such as Alex-The often self-aggrandising

ents of her players.

rhetoric which has been eme-nating from the cloistered world of American black studies departments bears only a tangential relationship to the British condition. We must exercise Vigilance.

Pitt the magnificent

Filliam Pitt the Younger was Annus Mirabilis, 1759, the year in which his father, soon to be created Earl of Chatham, presided over a great succession of British victories - from the frozen shores of Canada to the tropical heat of India, by land and by sea which extended the British Empire and secured its founda-

A mere 24 years later the precociously brilliant younger Pitt was himself prime minister, a mere boy in age but so eloquent, commanding and self-possessed, that after his maiden speech in the House of Commons the great Charles James Fox described him as already the first man in Par-Pitt was prime minister from

1783 to 1801, and again from 1804 to his death in 1806. If the French Revolution had not happened he would be remembered as a great statesman. In the peaceful first six years of his ministry he showed himself to be liberal-minded and astute; he was a promoter of parliamentary reform, an enemy of the slave trade, and a good manager of the economy. He was austere in his political morals, refusing the easy self-enrichment offered by service under the Crown. But unlike his father he had few gifts as a war leader, and when the long and costly conflict with France began he made bad mistakes, both in the prosecution of the war and in repressive and Illiberal domestic policies designed to safe-

guard against revolution. Almost the only positive achievements of Pitt's wartime work were the introduction of income tax - a fairer way of raising revenue than the indirect taxes which chiefly disadvantaged lower income groups
- and his attempt to remove the legal disabilities of Roman Catholics when union was effected between England and

Had it not been for the intransigence of George III, the subsequent history of Ireland might have been very different. Pitt resigned over the question, but returned to office when the inadequacies of his successor, Addington, became manifest. By then Pitt was ill, and the continued failure of the Allied

war effort against Napoleon proved too much for his The last nine years of Pitt's life are minutely and absorbingly dissected in this third volume of John Ehrman's monumental biography. If ever there was scholarship at once majestic, profound and grippingly readable, this is it. The first of Ehrman's massive tomes appeared 27 years ago, the second 13 years ago. The book is accordingly a life work.

and Ehrman's knowledge of

the years of Pitt's ministries is

account is the sagacity of his judgments and the luminous ease of his prose. In Pitt's time party loyalties were fluid, and much depended on eloquence in the House. To the hour came the men; it was an age of magnificent parliamentarians capable of swaying the course of empire by a single speech. Pitt and Fox were outstanding orators, and debates in the packed and electric House were gladiatorial. Place all this in the even headier setting of revolution and war, and the tension in each line of Ehrman's book keeps one turning its pages as if it were a thriller. The story ranges from finan-

cial crises to mutinies in the navy, from the politics of union with Ireland to largely unsuccessful attempts at prosecution of the French war. In Ehrman's masterly narrative we are taken into the cabinet and the royal levee, and constantly in the background can be heard the sometimes ominously loud growl of that fickle beast, public opinion. Not even In Pitt's brief retirement are

THE YOUNGER PITT: THE CONSUMING STRUGGLE by John Ehrman Constable £35, 882 pages

the tensions of Westminister lost to sight, because Pitt did not sequester himself: it seems he knew that he would soon have to resume office.

Pitt's life was his work, and there is little of a private nature to be told. Ehrman's account is accordingly a political blography - or perhaps it is history rather than blography. Whatever the label, it is magnificent. At the end Ehrman speculates a little: the solitude privacy and austerity of Pitt's life betokens some deep individuality, and Ehrman mentions the possibility that he

But he takes his cue from Macazilay, who in his famous essay on Pitt says that whatever was the case in this regard. Pitt kept it in "decorous obscurity". Everyone knows that Pitt had been advised by his doctors, when the precocious youth went up at Cambridge aged 14, to drink two bottles of port a day: which, ever thereafter, he assiduously did. But here Macaulay remarks that two bottles of port for Pitt were as two dishes of tea for anyone else.

A close reading of history, such as Ehrman gives us, teaches how little the essentials change. It is dispiriting to find the same obtuseness and stupidity present in the politics of the 1990s as in the 1790s. But without a study of history, what possible hope would there be of lessons being

A.C. Gravling

he chief thing I All change remember about my 40th birthday was givat forty ment to vegetarianism. It was a low-key event, celebrated with a plate of calves' liver in an Italian restaurant, and I somehow failed to realise that I was powering into my Flour-ishing Forties, or that the Lit-

Joan Smith on a fresh but flawed approach to an age-old story

behaved at 50, that it is not at first sight promising material for a book.

This is to underestimate Sheeby, for whom the phenomenon represents not just a breaking-down of the old order but an opportunity to create a new one.
"Imagine the day you turn 40

as the infancy of another life," she enthuses, introducing her concept of a "Second Adulthood in middle life". There is an echo here of *The Fountain* of Age by Betty Friedan, which vigorously advocated taking up new interests, lovers and chal-lenges in the second half of life instead of accepting inevitable

But Sheeby is the author of the original Passages, a text credited with popularising the notion that adult life is not fixed or static but subject to as many crises as childhood and

And the increasing longevity of people on both sides of the Atlantic has prompted her to update that idea and provide, in New Passages, a self-help manual for people who find themselves feeling more youthful than their birth certificates

This is not to argue that the book is a cynical exercise. Sheehy is an indefatigable researcher and her accounts of attending conferences and setting up surveys, interviews, dinner parties - even a breakfast meeting in Detroit at which blue-collar men speak about their anxieties - are

exhausting to read. She has talked to middle-aged women who are having a good time and middle-aged men who are not; Sheehy's 40-something females stride through smart hotels in sexy ankie-boots, leaving her male inter-viewees to fret about redundancy, impotence and prostate

The book's faults, though, are as large as its ambitions.

NEW PASSAGES: MAPPING YOUR LIFE **ACROSS TIME** by Gail Sheehy HarperCollins £16,99, 301 pages

Sheehy's prose is journalistic in the worst sense, which is to say uncritical, repetitious and dazzled by celebrity.
"Divorced in middle life, he

met a woman who lectures on miracles" is a typically baffling introduction to one of her interviewees (a "New-Age electrician", a job description I have not previously encoun-

Older childless women undergoing fertility treatment are ticked off for "late baby-mania" but Clint Eastwood is patted on the back for becoming a father again at the age of

Most problematic of all is the assumption that everyone can be made to fit neat catego-Women who fall in love in

their 60s are having "Survivor

Sex", men who become fathers

in their 50s are "Start-Over Dads", older female role mod-els are "Wisewomen". This produces a sense, throughout the book, that Sheehy, in common with many Americans, is alarmed by complexity and untidy lives.

She also comes close, in spite of her acknowledgement that poverty and depression are linked to class, to suggesting that people have complete control over their lives.

"Successful ageing is literally a career choice", is one of the homilies which appear, framed like improving Victorian samplers, throughout the text. "It requires a new focus, energy, discipline, and a whole set of strategies" - a list which could easily be expanded to include money, education and

What this book confirms, if you ignore its cloying confessional tone and relentless passion for taxonomy, is the extent to which assumptions about human beings which would have held good a generation ago are already out of

One of the most striking changes is the removal of the sell-by date on female sexuality, at least in women's own nds; another is the collapse of the notion of a linear progression through life, from marriage to parenthood to couples growing old gracefully together, and its replacement by serial relationships.

Whether people need Sheehy's book to guide them through these new patterns is another question.

They would certainly be well advised not to place too much reliance on her conclusion that "if every day is an awakening, you will never grow old, you will just keep growing".

I'm sorry to be a party pooper but, while Sheehy omits it from her New Map of Adult Life, one day we just stop growing and die.

Ode to an Edwardian

Jackie Wullschlager on the extraordinary life of Violet Bonham-Carter

The Spectator gave common currency to the term "the Establishment" years ago, it was defined in a sentence which mentioned only one person by name. Anyone who has at any

point been close to the exercise of power," wrote the journalist Henry Fairlie, "will know what I mean when I say that the Establishment can be seen at work in the activities of, not only the prime minister, the Archbishop of Canterbury and the Earl Marshal, but of such lesser mortals as the chairman of the Arts Council, the director-general of the BBC, and even the editor of the TLS, not to mention divinities like Lady Violet Bonham-Carter."

Violet Bonham-Carter is best known to history as a daugh-ter. She was Asquith's fourth child, the only girl from his first marriage, and everything that made her 1955's epitome of the Establishment stemmed from her upper-class liberal background and her exceptional role as her father's confidante. At 20, on holiday in italy, she sent her father a telegram: "How dare you become prime minister when I'm away great love constant thought Violet", and he replied, "The only thing that makes me sad is that you should have been away. You & I have been through so many adventures

together". The political instinct and the high moral tone; the ferocious dignity and the sense of noblesse oblige; even the whiplash tongue - she once described Sir Stafford Cripps as being "like a poker without its occasional warmth": all can be traced to her teens and 20s

LANTERN SLIDES: THE DIARIES AND LETTERS OF VIOLET BONHAM-CARTER .1904-14 edited by Mark Bonham-Carter and Mark Pottle Wetdenfeld & Nicolson £20, 461 pages

The letters and diaries from these years tell the enjoyable story of a character in the making. Asquithian prejudice and the famous, patronising shrewdness are there from the start. "Quite an amusing meal", aged 22, of lunch at 11 Downing Street, "I sat next to Lloyd George who has charm no doubt but no sense of humour & I think an inferior sense of words to Winston's. Mrs LIG very homely and pathetic...It is hard on Father

to be bound to a man with so

when home was Downing

little instinct of taste or dig-Innocence - scores of letters to her best friend, "darling" Venetia Stanley, who was conducting a clandestine epistolary romance with Asquith mixes with arrogance. On the engagement of Clementine ("the Hoxier") to Churchill:
"His wife could never be more to him than an ornamental sideboard. Whether he will ultimately mind her being as stupid as an owl I don't know. She will have rest at least from

making her own clothes." It is the young girl's passion for personality, for outrage, jealousy and loyalty, that bring the politics alive. Tony Benn



Violet Bonham-Carter: best known es a daughter

belonged to the "couldn't care more brigade". "The human side of life is to me so intensely, engrossingly interesting", she says at 18. "Unless one was possessed with rare creative faculties, one ought to measure the success of one's life by the amount of love one had given and taken". She was, of course, sur-

rounded by clever, eager young men, but most seemed pale shadows compared with her father, and it took the motoring accident in 1909 of one suitor, Archie Gordon, to raise his star above the others and provoke her to a febrile, deathbed engagement. Asquith missed cabinet meetings to come to bless the union, but hours later Archie died and for the next three years Violet's diary took the form of highly strung letters to him.

But her natural high spirits, her indignant response to the world, the blazing love for Asquith, were unquenchable. In 1910, when Churchill admired the boy's club she

opened in Archie's memory in Hoxton, "How dare they touch on my sacredest joy and call it good works. Dearest, though I have lost so much I yet do feel that there is more of me there than there was last year". In 1912, "the most thrilling experience of my life - I went up on a gigantic biplane ... l only live to do it again. Father who would never never have let me my having done it."

There flows here, writes Roy Jenkins in his introduction, "the full self-confidence of patrician Edwardian liberalsm, accompanied by a certain emotional lushness which recalls a somewhat earlier age, a Pre-Raphaelite picture, a requiem by Saint-Saens".

Much has been written about Edwardian England, but throw-away remarks here evoke the mores of that era with a rare immediacy. When Raymond Asquith's first child is born, for example, the prime minister is asked "Is it a boy?" and replies "with fearful solemnity", "No, not a boy", and "Raymond accepts his daughter as if she were a Varsity scholarship. I do not mean that he is not pleased, as he obviously is, but he would not dream of mentioning it to anyone as a possible piece of news of interest".

"How strange it would be and how frightening", Violet muses in 1910, "If one could see isolated scenes of one's life in advance, like lantern-slides, without knowing where they were or when, what led up to them or what followed". Open this wonderful book on any page, and you get a lanternslide glimpse into a fascinating mind being formed by a privileged milieu in its heyday.

ne of the slogans that appeared in Paris during the famous events of May 1968 was "Be a realist, demand the impossible". And one of the reasons why the events continue to be known simply as "the events" is that nobody can think of a better word to describe them. They began as a spontaneous uprising by students which shocked the establishment - left

and right alike. Yet some of the students knew what they wanted. As Daniel Cohn-Bendit said at the time: "The workers will obtain the satisfaction of a number of material demands, and the moderates in the student movement and the teachers will put through important university reforms." There would be no revolution, he went on, only "successive adjustments". That is exactly what happened.

The episode may be taken as a

Revolution – via the ballot box

Socialism's main achievement has been to civilise capitalism, writes Malcolm Rutherford

Donald Sassoon concludes his long book on the subject with the thought that, in western Europe, "the main achievement of socialism in the last hundred years has been the civilising of capitalism". The corollary remains, however, that if the socialists had not demanded the impossible, they would have achieved even less.

Sassoon seems a little sad about this. He also cannot quite conceel a wish that the US does not exist. The US, he writes, is "the only capitalist power devoid of a strong socialist party". Thus, when the cold war broke out in the late 1940s, west European socialism "had to develop under the internasummary of 100 years of socialism. tional protection of a country

whose ethos, traditions and outlook were deeply hostile to socialism". Socialism in the other part of Europe, of course, had already fallen prey to Stalinism.

One suspects that the world, or at

least the Europe, Sassoon would like is one where all roads lead to socialism. Nevertheless, he gives a compelling account of the obstacles along the way. The fundamental question was whether socialism required a revolution or whether it could be achieved through the ballot box. The revolution in Russia in 1917 pointed to the former, yet as early as 1920 splits in the European left, whether called communist or socialist, were apparent. The Soviet Union sought to control the move-

ment. Soviet defects went largely unnoticed because the USSR was unaffected by the crash of 1929. Soviet planning seemed the order of the day and the Soviet Union

ONE HUNDRED YEARS OF SOCIALISM: THE WEST EUROPEAN LEFT IN THE TWENTIETH CENTURY by Donald Sassoon

erged as a hero from the second world war. Some western communist parties only became disenchanted when the tanks went into Hungary in 1956, but their allegiance to Moscow had long

I.B. Taurus £35, 965 pages

deprived them of domestic support, The maintenance of strong communist parties in western Europe, notably France and Italy, meant that the left was divided. Sassoon calls the 1950s the golden age of capitalism as consumerism began to spread. Yet it is not as if socialism failed to have an influence. Even Conservative parties could introduce measures of social welfare, if only to keep the workers happy. The Germans had introduced health insurance and a gen-

why the rise of an organised labour movement should automatically lead to socialism. Apart from the argument

eral pension scheme in the 1880s

and there was no automatic reason.

box, there was also the question of what socialism means. No fully satisfactory definition exists. Anthony Crosland probably came closest when he referred to a "set of values", the most important of which was that "every individual should have an equal chance"

Even Crosland admitted, however, that future reformers would have to deal with issues which cannot be easily classified as socialist or non-socialist. They included civil liberties, personal freedom and leisure and, he might have added, the environment. The re-emergence of the women's movement in the 1960s, for example, was not a specifically left-wing phenomenon;

there is no reason why a militant feminist should not be a Tory voter. And what shocked the establishment about the events in Paris in 1968 was the apparent disregard among the students for political parties of any kind. There was an assertion of individualism. Yet one fact remains clear. If a

socialist party is to be elected, it needs the support of more than the working class. That was shown by the British Labour party in 1945, it was the lesson learned by the West German Social Democrats and is currently being followed by Tony Blair. Still, never overlook the other side of the coin. The parties which most obviously represent capitalism are also capable of learning. Socialism may have been a civilising influence, but who is to say that Conservatives and Christian Democrats have not had an influence on socialism? Political

The harlots of fleet street

J.D.F. Jones warms to the tabloid press

ord Beaverbrook in 1922 suggested that "A newspaper is like a young and beautiful girl." Stanley Baldwin changed the metaphor nine years later in the bestremembered quotation of his career "Power without responsibility. the prerogative of the harlot throughout the ages." The prime minister's words were not reported

in Beaverbrook's Daily Express.

Matthew Engel, a Guardian writer and also editor of Wisden, has produced in Tickle the Public a splendidly readable and witty history of the barlots of Fleet Street over the past century, taking May 4 1896 as "the real beginning of Brit-ish popular journalism" – the date of the first edition of the Daily Mail. His thesis is that Britain's success ful national newspapers are run by proprietors and editors who understand the taste of the generation and are then invariably overtaken by "newer, brasher, less inhibited competitors. It is like a hiblical list of begettings. Thus the Times was superseded by the Telegraph, which was superseded by the Express, which was superseded by the Mirror, which was superseded by the Sun. There was every reason to suppose that the Sun would one day suffer the same fate."

Engel therefore has plenty of fun leading us from the Harmsworths (Alfred and brother Harold) of the Mail, past the Express and the Mirror, which were dominant for 25 vears after the lest war, and through to Rupert Murdoch's selfdescribed "sex, sport and contests" of the Sun. "When Rupert Murdoch entered Fleet Street, it was as if a gunslinger had smashed open the swing doors of a Dodge City saloon and found himself staring into the snug bar of an English country pub. Everyone looked up briefly, then tried to go back to their pints."

There is plenty of indignation behind Engel's wit. Beaverbrook's operation, which emerged to success in the 1920s, is declared to have been less than honest. The Mirror, which topped 5m circulation in 1964 ("The Mirror is a sensational news-

paper. We make no apology for that. We believe in the sensational presentation of news and views ... a paper for which many journalists even today have a nostalgic affection and respect - went disas-trously up-market in the late 1960s, with the result that the Andy Capp reader departed to the Sun. Murdoch has a vacuum and a moral void at the heart of his empire because he believes in nothing and allowed his notorious editor Kelvin MacKenzie to cross a dangerous frontier - not just to distort the facts but to change them. (Mac-Komite is nevertheless described as

Engel starts with a long section

TICKLE THE PUBLIC by Matthew Engel Gollancz £20, 352 pages

THE GREAT OUTSIDERS by S.J. Taylor Weldenfeld & Nicolson £20, 377 pages

on the Harmsworth brothers and seems to find the shy money man Harold as intriguing as the more celebrated Alfred who by 1914 owned the Mail, the Mirror, the Times and the Observer as well as many other titles.

The curiosity value of Harold also emerges in S.J. Taylor's The Great Outsiders, a rather more respectful centennial history of the Daily Mail. The story of Alfred and Harold who became Lords Northcliffe and Rothermere respectively - has been hard to see much point in another version except to celebrate the birthday. Taylor devotes the lion's share of her space to Northcliffe, not surprisingly since Rothermere has always been seen as the unflamboyant plodder. For those who do not know it, the tale is extraordinary. Alfred was, in Taylor's words, "a jumped-up, ill-educated opportunist who had made his start on a bicycling magazine published in Coventry..."
That led to the phenomenal suc-

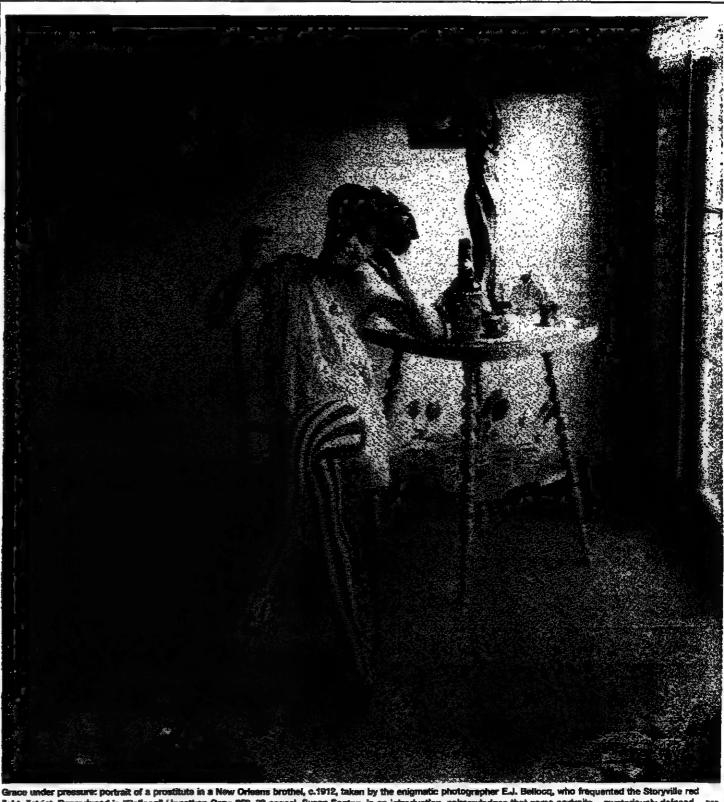
cess in the 1890s of "Answers to Correspondents", "Comic Cuts". and then to the Evening News and the Mail: he invented the word "tabloid", he was the youngest created peer of the realm, he became a megalomaniac, then literally mad, and died young in 1922, not of syphilis. as is frequently said, but, argues Taylor, of malignant endocarditis. He was a colossal character: when he decided to take up golf, he stood at the tee for eight hours "and made 284 consecutive drives until, collapsing from exhaustion, he was led from the course and to his bed to

The delicate part of a book like this is to tackle not so much Northcliffe's monstrous side as Rothermere's fascist leanings in the inter-

Harold had lost his brother and, in the war, two sons; his domestic life was not happy; he was nomadic and profoundly pessimistic; he was a friend of Beaverbrook and together they made mischief with the United Empire Party, which even Taylor says was "folly".

She has earlier described the Mail's exploitation of the forged Zinovlev Letter in the 1924 election as "masterly". She later argues that "he might be wrong, but he was honestly wrong; there was no trace of corruption about him." Yet Rothermere did much more than flirt with Mosley, Mussolini and Hitler. "If choice must be made, any wellinformed individual might have favoured the rising and Germany," writes Taylor, and do not know whether she is being ironic, After Munich, Rothermere sent Hitler a telegram: "My dear Fuhrer, Everyone in England is profoundly moved by the bloodless solution of the Czechoslovakian problem ...

Taylor's conclusion to what now emerges as corporate history is: His open and ingenuous dealings with Hitler were part and parcel of the duality of his character . . ." Rothermere, we are told, should have used a spoon with a longer handle. Matthew Engel would put it rather differently.



ight district. Reproduced in "Bellocq" (Jonathan Cape 250, 83 pages). Susan Sontag, in an introduction, acknowledges that some portraits - mysteriously defaced - are urbing. Others convey "the beauty and forthright presence of the women, photographed in homely ofcumstances that affirm both sensuality and domestic ease'

Rereadings/Max Wilkinson

Spook messages

book, which he obviously thought was a minor classic. After re-reading it over many years, I think so too and am surprised that modern publishers do not agree. The Road to Endor by a first

world war lieutenant, called strangest mixtures of adventure and proselytising ever written. It starts in a Turkish prisoner of war camp in 1918 where Jones and a few other officers decided to pass the weary hours with some rather lighthearted experiments in the occult.

Two men sat opposite each other, around a "Oija board". touching an upturned glass on a tin tray which would spell out messages from spirits of the dead. But soon the joke became deadly serious. Unknown to his companion. Jones secretly guided the glass to spell out pretend messages from a spook; and before long most of the camp believed that the messages were genuinely

coming from the other side. This view was reinforced when Jones demonstrated extraordinary telepathic powers with a fellow prisoner, R.H. Hill Sceptics were finally stenced when the spirit revealed war news that the mediums could not possibly have known and uncovered the secret pasts of brother

Then in a final test, the mediums were blindfolded and given a new board in which



the letters were scrambled according to a code kept in another room. As expected, the spirit messages became completely garbled, but when translated according to the code, they made perfect sense. The explanation of how the

"mediums" accomplished these feats, and the complex code developed for their "telepathy" demonstration, is as lively as the best detective story. And all this was only the beginning of a daring escape

Jones and Hill feigned madness, supposedly to find treasure for the Turks, but really to escape to England. Later, their spooking provided evidence for the camp commandant to be

court-martialled. The story of this magnificent deception is told with humour and much piquant detail, including verbatim reports of the spook's utterances. Discovery would probably have was trained as a psychologist, had a brilliant and versatile most of the camp, was a first-rate conjurer. The book was an immediate

success when it was published by The Bodley Head in 1919. It went through five editions the next year and 15 during the following decade. It was reprinted in the Bodley Head Weekend Library in 1939, but thereafter faded from view. It was published by Pan Books in 1974, but is long out of print. This is surprising, because in

addition to the high psychological drama, and some fascinating descriptions of prison camp life, the book has a deeper purpose, which was doubtless why my grandfather gave it to me.

Jones pours contempt, not only on his guilible captors (and more gently on his fellow officers) but on all "true believers" in the paranormal His book is a thundering riposte to all the sloppy research and pseudo-science which encouraged such credulity - such as the experiments described by Sir Oliver Lodge in his book, Raymond, which was widely influential at that

Jones's own performance was so clever that only a genius would have seen through it. And no reader will ever afterwards give a minute's credence to nons from the nether world. Perhaps this is why the book

is less popular than it deserves

ook fads come and go l have been waiting some years now for the tidal wave of some years now for the tidal wave of travel literature, set rolling in the early 1970s by the likes of Paul Theroux, Eric Newby. Colin Thubron and Jan Morris, to come crashing down. But

We live, though, in

anguished times. The collapse of the cold-war balance of power, the onset of the new world disorder, has affected everything from economy to spiritual well-being - all round we are a more contentious, insecure and self-searching planet than we were just a quarter of a century ago. Today's travel writing reflects our new fragility. So, at least, I must conclude after reading a clutch of recent travel books. Nominally, these are books about travel around the Middle East, the Australian desert. Vietnam and Cape Horn. In reality they are, to a greater or self. The final destination is not a physical place, but understanding - of personal emotions, of personal existence. The sheer sense of wonder and discovery that fired earlier travel writers seems to have given way to a new mobile

introspection. John Hockenberry's Declarations of Independence – War Zones and Wheelchairs, may not be typical of the shift, for its author is a paraplegic American radio journalist who covers hot spots from Israel to Iran from a wheelchair. He rolls about the streets of Gaza under curtew; is pushed through hostile crowds at Ayatollah Khomeini's funeral; accompanies Kurdish refugees over deep rivers and high mountains. With no self-pity, Hockenberry draws a picture of a man of tremendous resource and courage.

Introspective travel

Nicholas Woodsworth uncovers a new trend

He also draws a portrait of a **DECLARATIONS OF** man struggling to come to terms with the life-long after-INDEPENDENCE math of a teenage car accident. by John Hockenberry Apart from detailed descrip-Viking £16, 371 pages tions of his physical condition and the mysteries of what he FLIGHT OF THE calls "crip sex", there are dis-KINGFISHER cursive passages, entire chap-ters devoted to the psychologi-

transformations of a man

determined not to be defeated.

sympathetic chord in British

readers. Hockenberry spends

much time over that obsessive

peculiarly American social issue, the "victimisation" of

minority groups. More foreign still, Declarations of Indepen-

dence carries whiffs of Oprah

Winfrey, of the desire to

expunge private pain by working it out in public. For British

readers squeamish about soul-

bearing and enthusiastic dis-

plays of deep psychological wounds, Hockenberry may

have strayed too far into unfa-

As Monica Furlong recounts

in Plight of the Kingfisher – a

Journey Among the Kukatja

Aborgines, her tragedy is not a

personal one like Hockenber-

ry's, but involves our entire

tells us, lost our belief in the

sacredness of the natural

world, and a sense of its mean-

ing. In rejecting materialist

western values, she seeks

among the Aborigines a correc-

Fair enough; none of us are

overjoyed at the state of the

modern world. But Furlong, of

strong sphritual bent, seems to

ignore her own self-criticism.

She has spent too much time

tive to her sense of loss.

stern society. We have, she

miliar territory.

The book may fail to strike a

by Monica Furlong HarperCollins £16.99, 178 pages THREE MOONS IN VIETNAM by Maria Coffey Little, Brown £18.99, 291 pages

MY OLD MAN AND THE SEA by David and Daniel Hays Headlinc £14.99, 230 pages

with books and ideas, she says, and not enough simply "sitting still", as the Aborigines do, without guilt or anxiety. Much of her attitude is informed, nonetheless, not by sitting and observing, but by historical European acts and attitudes towards Aborigines and her sense of guilt over them.

Furlong's concentration on Aboriginal spiritual superiority results in weak physical descriptions of an imposing people and a magnificent land. It also leads to preposterous statements denying enormous cultural differences. "If an Aborigine man says that a particular tract of land is his mother, he does not mean that it is like his mother. It is our failure not to know what he describes", complains the writer. After finishing the book, I felt I knew more about Monica Furlong than I did about Aborigines.

"Where is the internal tension, the groping towards identity?". I wondered as I read Three Moons in Vietnam - A Haphazard Journey by Boat and Bicycle. Of the four books, Maria Coffey's account of a

two-month trip along the Vietnamese coast is the one least concerned with the mapping out of a personal interior. Maria Coffey and her husband undertake the kind of

trip one is happier to read about than to take. Apart from suspicious policemen and neryous locals, there are a host of non-human challenges humidity, heat, rain, mosquitoes, stomach parasites, hotels that double as brothels, hilly countryside, and two unrelia-

ble bicycles Maria Coffey has a good eye, a real fondness for the country, and describes it well. Only here and there, in the attachments she makes with young children, are there hints that even hardy adventuresses have unsatistied inner longings. Cof-

couple deeply involved in the emotional lives and welfare of two Vietnamese children. It is Mn Old Man and the Sea that best accomplishes the

less. After many difficult miles,

tricky venture of combining inner discovery with travel David and Daniel Hays are a father-and-son crew who leave New England in a 25ft boat they build themselves, sail 17,000 miles around Cape Horn, and return home. In doing so, they discover each other. David is a reflective, emotional, expressive man with

most of his life behind him. Daniel is energetic, humorous and, at 24, not sure what he wants out of life. The day-byday journal which they alternately keep is in large part a relationship, in turn funny, moving, exasperated and loving. What makes it work is the bond they share apart from blood - the sea.

For this is also a story of great adventure and daring. Their thoughts, however personal, are always tempered by immediate considerations tides, waves, storms, winds and rain. Like the best travel writers of any generation, they take as their point of departure the true subject of travel, the fey is 42 years old and child- real world around them.

FT BOOKSHOP

To order any books reviewed on these pages from anywhere in the world please call + 44 181 - 964 1251 or lax your credit card details to: +44 181 - 964 1254 Cheques (UK and Eurocheques only please) can be sent to: FT Bookshop, 29 Pall Mall Deposit, Barlby Road, London W10 6BL UK.

E-mai: bid@mail.bogo.co.uk.

Airmail Postage Rates:	Europe	Rest of World
Hardback	£1.50	27.50
Paperback	£1.50	€3.95

COLLECTING

Dealers lobbied to bring more affordable items

Susan Moore surveys offerings at London's art fairs

une is traditionally the month when the British art trade flings wide its doors to dazzle the world. There are the fine art and antiques fairs at Grosvenor House, the vast Aladdin's cave of more affordable works at Olympia and the specialist ceramics fair at the Park Lane Hotel. The dealers mount big shows, the auction-houses launch their summer

For collectors in any number of fields, from furniture and paintings to Oriental works of art, there may be more than 1,000, perhaps even 2,000, items to view in a few days. It is this intensity of looking, of wining and dining the international community of collectors and curators that converge on London, the whiff of a sale, that gives Mayfair and St James's a particular buzz.

Over the years, the dealers at the fairs and galleries have, Grosvenor House, as with the Paris Biennale, has resisted the urge to allow in a flood of foreign dealers and remains a predominantly national event. As last year, a dozen of the 87 exhibitors at the fair (June 13-22) come from abroad, with old master dealer David Koet-ser of Zurich and Jacques and Patrick Perrin of Paris among

At Olympia (June 6-16), with 400 dealers, the number of overseas participants continues to grow. This year, a pavil-ion of French dealers is added to exhibitors from the US, the Low Countries, Switzerland, Hong Kong and Australia. A quarter of the exhibitors and half of the lecturers at the Ceramics Fair and Seminar (June 14-17) come from over-

In spite of the dwindling number of homegrown collec-tors - some would say an all but extinct species - London remains the pre-eminent Euro-

of interest on its walls. This year, the fair welcomes the return of Colnaghi and numer-ous paintings of note. Even the furniture seems less uniformly brown, with George III satinwood richly ornamented with painted blooms and fruit (Norman Adams), Queen Anne red isc-quer (Michael Foster) and simulated bamboo jardinieres made for Brighton Pavilion complete with pink balls (Peter

> Yves Mikaeloff brings a malachite inlaid Russian writing table, Antoine Cheneviere Karalian birch and Mallett a delightful Venetian rococo polychrome lacquer crib.

is less a showcase than marketplace these days. Given

the recent tough times weath-

ered by the art trade. I suspect

we are unlikely to see the return of the likes of a \$25m

(£16.40m) Turner for many a year. Moreover, the fair organ-isers are once again lobbying

hard for dealers to bring more affordable items - classified as under £10,000. That said, Lon-

don dealer Johnny Van Haeften spiritedly offers Pieter Breughel the Younger's large "The Battle between Carnival

and Lent" for around £1.5m.

Grosvenor House is also see-ing a gradual increase in the

number of exhibiting picture

dealers. After the Burlington

House Fair, London's great pic-ture fair, merged with the

Grosvenor House Antiques

Fair in the mid-80s, it seemed

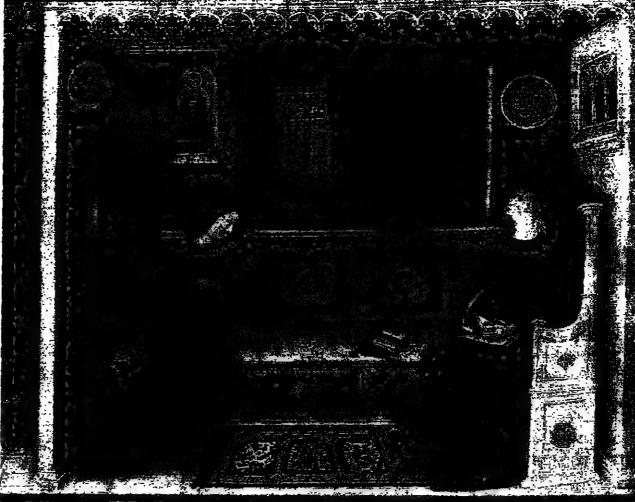
the new Grosvenor House would establish itself predomi-

nantly as a "brown" or "floor

fair, awash with polite English

Georgian furniture with little

Apart from the standard fare, Grosvenor House manages to embrace garden sculpture, carpets and textiles,



clocks, scientific instruments, illuminated books and manuscripts and even loan displays of works of art from the royal family and the National Gai-

No visitor should miss a seeing one of Scotland's best-loved paintings, Raeburn's engaging portrait of The Rev Robert Walker skating on Duddings-ton Loch - and reflecting that the hotel's galleried Great Room was once London's most famous ice rink.

After a year or two of con-spicuous inactivity in the commercial galleries, it is a treat to see the return of impressive dealers' shows. Most spectacular - and winning the prize for the most sumptuous catalogue
- is the Matthiesen Gallery's exhibition, "Gold Backs", goldground paintings 1250-1490, or pre-Cimabue to Antonello da Messina, held in memory of the

late Sir John Pope-Hennessy (7/8 Mason's Yard, Duke Street, t James's, June 5-26). When, back in 1988, Patrick

Matthiesen staged a show of early Italian painting and works of art 1300-1450, everyone said this was the last time a private gallery could hope to mount such a costly show of rarities. This latest coup de théatre - the first to cover the subject since 1983 - is all the more remarkable for not being predominantly loan show as before. All but four of the 21 exhibits - single panels, pairs and triptychs - are for sale, at prices between \$10,000 and \$7m. The quality and condition of many are breathtaking.

It is exceptional to find a 18th century picture on the market today, and particularly one that is not merely a shadow of its former self. Opening this show is a devo-

tional image of the Madonna and Child, executed in tempera Council for Research, is availand gold. Scholarly opinion able at £25. gives it to around 1260 and to At 59 Jermyn Street, Danny Katz presents an impressive the hand of a Tuscan artist working in the Byzantine tradigathering of about 56 pieces of

was preserved by successive updating and overpainting. The group is particularly strong on earlier work, including Giovanni del Biondo's "Funeral of St Benedict" and the Annunciation by one of the great figures of 15th century Italian painting, Gentile da Fabriano – a gloriously detailed interior plerced by gold-speckled rays of the Holy Spirit directed to the Virgin's womb. Perhaps even more exquisite is the early triptych by the Sienese Giovanni di

Paolo. The substantially subsi-

dised catalogue, sold in aid of

tion. While the gilding was renewed in the 15th century.

the original painted surface

July 26). The focus is on 16th and 17th century Italian and French bronzes, ranging from a unique she wolf by Severo da Ravenna, one of the leading sculptor-founders of the late 15th century, to distinguished works by Prieur. Prices are from £10,000 to £500,000. Jean-Luc Baroni at Colnaghi offers another handsome cata-

logue and show of Master Drawings (14 Old Bond Street, W1, June 26 July 5) with works on paper in various media -pen and white heightening on per and white he distantly on prepared paper, red, and col-oured chalks, oil, tempera, pen-ch (a sensitive Degas study of his younger brother), pastel, watercolour and gouac

Noortman; who also shows at Grosvenor House, devotes his gallery (40-41 Old Bond Street) to French painting from Corot to Utrillo (until June 28). For enthusiasts of 19th century British art, the Mass Gellery presents "Victorian Pictures" an extraordinary Ruskin thundercloud. Pre-Raphaelites and Olympians. Prices for drawings start at 2650 - 15a Clifford Street, W1, June 4 July 12 The Rafael Valls Gallery (6 Ryder Street, St James's) shows contemporary protagonists of the traditional art of trompe l'oeil painting (June 10-22).

Spink displays the beauty of réal silk at 5 King Street (until June 28), from early 18th cen-tury English and French embroidered coverlets to panels of Italian brocatelle. The firm's annual exhibition of English watercolours and drawings runs until June 21; the 27th marks the launch of its new jewellary department with arrays of fancy coloured diamonds, art deco and con-temporary jewels, and loose stones. Take a good friend. European sculpture (June 10-Prices soar to more than film.

> 315 ... 2137 4

22.50

36

2784 .





Barry Davies Oriental Art Ltd I Davies Street, Mayfair, London W1Y 1LL. Telephone: 0171 408 0207 Facsimile: 0171 493 3422



looking upwards Height: 10.9 cms. Unsigned, hijd litth contary

on Saturday 15 June 1996 at 10 am. The Exhibition will run to July 5. Open Monday to Friday:

10 am - 6.00 pm

Barry Davies Oriental Art will re-open their newly-extended

Gallery with an Exhibition

Netsuke Through Three Centuries

Catalogue available.



Browse & Darby

BRITISH PAINTINGS & DRAWINGS 1880-1950 JUNE 5 - JULY 13

souff bottle, made of porcelain moulded in the form of a rectining lady,

vable and forms the stopper. Jingdezhen, 1788-1858. Length 9.3 cm.

15e C'Afford Street, London W1X 1RF na: (0171) 734 4998 Pocsimile: (0171) 734 4498

her head resting on one hand while lying in a provocative pose with one leg stretched out and the other held in her left hand. The right foot is



William Nicholson, Haystack, 1930

19 Cork Street, London W1. Tel: 0171 734 7984



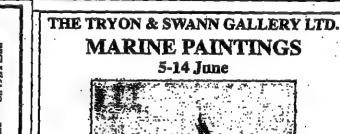
THE PARK LANE HOTEL

Two from a rare set of eighteen Regency Mahogany Leather Upholstered Bergère Armchairs c.1820

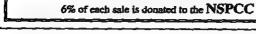




A SALON DES REFUSES AT LLEWELLYN ALEXANDER 124-126 The Cut, Waterloo, London SE1 8LN (Opposite the Old Vic Theatre) Tel 0171-620 1322/1324 Fax 0171-928 9469 Open Monday to Saturday 10am to 7.30pm



23-24 Cork Street, London WIX 1HB Please call or fax for further details Tel: 0171 734 6961 Fax: 287 2480





PHONE 0171 930 9332 FAX 0171 930 5577

E DUKE STREET, ST. JAMES. LONDON SWIY 68N

RICHARD GREEN



Impressionist Paintings

Richard Green will be exhibiting at The Grosvenor House Antiques Fair, stand number 59

4 New Bond Street WTY 0SP Telephone: 0171-491 3277 · Fax: 0171-495 0636 New York: 518-583 2060

NOORTMAN



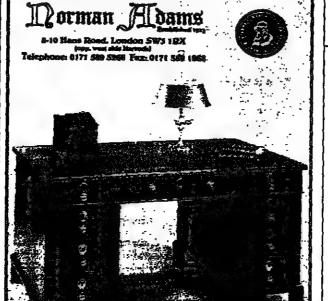
nA' Caillebutte Paris 1848 - 1894 Ger Trois pécheurs en banque Camen. 95 n x 121/2 in (24.5 x 32 cm)

French Impressions

An exhibition of French Painting from Corot to Utrillo

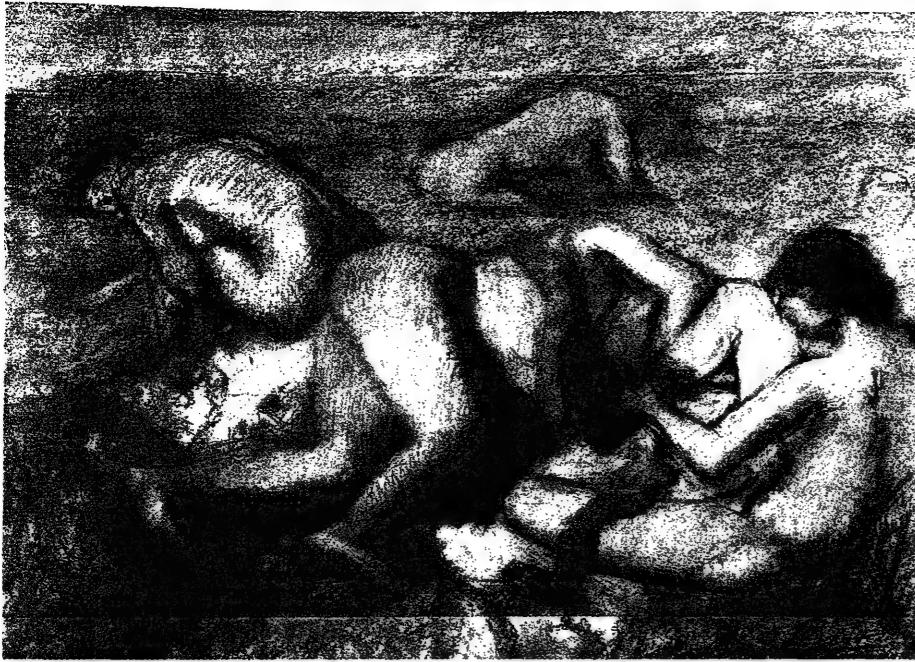
29th May - 28th June 1996 Monday - Friday 9.30 am - 5.30 pm

40-41 Old Bond Street · London W1X 4HP Telephone 0171-491 7284 - Fax 0171-493 1570



Grosvenor House Art & Antiques Pair, 13-224d Tune, Stand 47.

ARTS / COLLECTING



Innovative Degas comes alive

William Packer relishes the energy and experience of a marvellous new exhibition

that great exhibitions pass through Europe and the US but do not come to Britain. But if the latest treat at the National Gallery is a fair indication, we need not beat our breasts too much. This choice show from the later drawings, pointings and sculp-ture of Degas is as beautiful and remarkable as any I could wish to

EDTATOR

Although Degas is forever cast as him in his later years, no less than Cézanne, to be as radical and bold a formal innovator as any of his nearcontemporaries, from Manet to

In the mid-1880s and turning 50. Degas was moving ever further from the cooler academic description in which he was schooled towards a graphic method that was more open, direct and personally expressive. That is not to say that his drawing - and in so many of these large pastels and canvases. the distinction between drawing

and painting becomes ever more difficult to register - is any the less accurate or disciplined, but only that he was now directing it to different ends.

For what seems more and more to concern Degas is not so much appearances, but the living, physical presence of his models: an appearance to be experienced, not merely seen. They wash and dry themselves, comb their hair, try on a hat. The dancers wait in the wings, flexing themselves in that relaxation. like the horses and jockeys he would watch down at the start. With Degas it is always the moment of expectation, preparation or casual self-regard that engages him.

While the cocking of an elbow. the turn of a wrist or ankle, the pull of the comb through the hair, are perfectly suggested, the actual statement is swift and economical. the formal mass often blurred and approximate, the contours of back or leg rubbed out, overlaid and redrawn. Here is no longer the con-cern of the Salon artist for the fin-

ish of the work, but a private, immediate concern for the line itself, as he tries to register and fix the ever-moving, breathing form, the bend and pull of arms and shoulders, as the model leans and twists above her bath.

His habit was, to draw on semiopaque tracing-paper, and with so many of these subject groups now brought together it is endlessly fascinating to follow him through his compositional experiments and changes of mind, wrestling with a series of closely related poses of the figure. These he would then redraw repeatedly, retracing and perhaps reversing them for use in other combinations without further reference to the model, putting particular figures together, moving them

around only to take them out again. This graphic activity is complemented throughout the entire period by his work as a sculptor. modelling his figures in wax on a small scale to serve his immediate working interest, only much later to be cast in bronze. Drawing and

maquette often take the same pose - the arabesque, the dancer step-ping forward with her arms raised, the heavier, seated model half turning to dry her flank. The dating is in consequence extremely uncertain, often no more precise than a 10 year span, which leaves open the questions of whether clearly related drawings and sculpture were done

together or after a long interval -

and which might have been used as

reference for which, My own feeling is that the pastels up later, and the maquettes, like the charcoal drawings, were modelled direct from life. By their very liveli-ness of inflexion in the pose and subtlety of detail they could hardly have been made up, and they confound the common art-historical supposition that, with his failing sight. Degas came more and more to work by touch alone. Their modelling, simple as it so often is, is too sure and knowing in its control, too close to an observed reality, for

But his sight did at last deterio-

rate, and his health fail, in the last 10 years or so before his death in 1917. So, by degrees, he ceased to work. What we are shown so clearly is that up to the point of that last decline, here was one of the greatest of artists, rather like the ageing Rembrandt and old Titian, produc ing work that was as strong and challenging as anything he had ever

One final note. The concurrent pendant exhibition at the National Gallery, "Degas as a Collector". work by other artists that he once owned, is to be recommended. And in my review of the gallery's display of Francis Bacon's Popes. along with the great Velazquez portrait of Innocent X from the Doria Pamphilij Collection at Rome, I failed to mention that it was spon-sored by Global Asset Management.

Degas - Beyond Impressionism: The National Gallery, Trafalgar Square WC2, until August 26; sponsored by Evian, SBC Warburg and

Television / Christopher Dunkley

Viewing evolution

ratings. Not so long ago the director-general of the BBC, John Birt, was warning that, thanks to the rapid increase in the number of services, the BBC's audience share was inevitably going to fall.

Presumably he was trying to pre-

pare everyone, particularly politicians, for a time when viewers would have to pay their licence fees for a BBC service which attracted as little as a third or less of the audience.

It seemed a peculiarly cack-handed bit of public relations since, naturally, it depressed the staff of the BBC and clearly ran the risk of becoming self-fulfilling. Why strive for anything more than a 33 per cent share after a prediction like that from the DG himself.

And yet a study of the weekly figures published by Barb (the Broadcasters' Audience Research Board, formed jointly by the BBC and ITV) shows that, far from falling, the BBC's share has recently been rising. For years the only times when the BBC has regularly taken a larger audience share than TTV have been at Christmas and during Wimbledon and the World Snooker Championships.

During the other 47 or 48 weeks, terrestrial commercial television -ITV and Channel 4 - has consistently beaten BBC1 and BBC2, sometimes by a considerable mar-

in the first week of October 1994, for example, the commercial share was 53.1 per cent and the BBC's 39.8 per cant. As recently as June 1995 the split was 51.5 to 39.9 in ITV's favour. But the five most recent sets of figures (up to the week ending May 12) show the BBC matching or beating commercial television every week. The latest split is 47 to 43.5 in the BBC's favour. This has not been achieved with

hours of snooker or any other abnormal programme schedules. The pollsters no longer produce a "Top Ten" but you can create your own from the top 30 programmes listed for each channel, and in the week ending 12 May the result (dis-regarding the effect of repeats) is

1. Coronation Street (Wed) ITV 16.01m 2. Coronation Street (Fri) ITV -

3. EastEnders (Thur) BBC1 - 14.74m 4. EastEnders (Tues) BBC1 - 14.32m 5. Coronation Street (Mon) ITV -

EastEnders (Mon) BBC1 - 13.67m 7. FA Cup Final BBC1 - 13.33m 8. The Liver Birds BBC1 - 12.05m 9. Emmerdale (Thur) ITV - 11.94m 10. Emmerdale (Tues) ITV - 11.69m

The tedious dominance of the soap operas is the main reason why the Top 10 is of so little interest. Slots 11 to 20 are often more interesting, containing, in the week in question, three episodes of The Bill and one each of The Knock and Sharpe plus Stars In Their Eyes from ITV; and, from BBC1, Grand-stand, The National Lottery, No

omething odd is happening Bananas and Airport which comes to British viewing habits, in at No 20 with 9.37m. a remark-judging by the television ably high entry for a documentary, ably high entry for a documentary although deserved since it is a highly entertaining series.

It looks as though the BBC's success stems more from what is not happening elsewhere than from any dramatic advances in its own net-

The depredation predicted by Birt was supposed to come in the first instance from the new satellite and cable services. Sure enough, they have taken a share of the viewing from the traditional transmittermast broadcasters - but not a dra-

matic one. In 1991, it was about 4 per cent and since then the figure has risen by about 1 per cent each year so that it now stands at around 10 per cent. In the week under review it was 9.6 per cent, and that, of course, is the figure for all the scores of satellite and cable channels added

together So the 50 or so channels which so

This has not been achieved with hours of snooker or any other abnormal programme schedules

far constitute the new technology are managing to attract between them rather less than a third as much viewing as BBC1 on its own or ITV on its own.

These two leading terrestrial channels each claimed 33.6 per cent of viewing in that week. But is the average weekly viewing per head of the population falling, as gleeful press reports frequently claim? If that were so then, even if the BBC's share were bigger than before, we should still be paying more per programme.

However, the figures suggest an almost unwavering consistency over the past 10 years. During the second week in May this year the figure was 24 hours 8 minutes. Last year it was 21.06, and figures for the previous eight years were: 24.09 24.06, 26.42, 24.10, 23.16, 22.20, 23.59 and 22.54. Scarcely what you would call a dramatic change.

The population figure is The number of hours viewed is static. But the number of channels keeps on going up: Channel 5 is due to open in seven months, digital channels are promised remarkably soon from satellite, and not long after from terrestrial broad-

If they are to get any viewing at all then somebody else's figures must fall, which was, obviously, Birt's thinking in the first place. But so far the rate of change looks more like evolution than revolu-

range of exhibits is on display at The Oriental Art Gallery, 4

Davies Street. June 10-30.

Michael Goedhuis branches

out with his first exhibition of

contemporary Chinese art, showing the work of 13 paint-

ers and sculptors working in

mainland China, the US and

Europe. Whether representing the traditional or the

avant-garde, all respond to the

tremendous impact of western

art on modern China - 116

Mount Street, W1, June 19-

o summer season in London passes without a spectacular run of commercial Oriental art shows. Eskenazi presents its 45th, this time focusing on surface embellishment and sculptural form in early Chinese art (10 Chifford Street, W1, June 11-July 13). Rarities abound. Among

Make way for summer's Orient express dealer Barry Davies, at 1 Davies Street, W1. By acquir-

Ham period bronze mirror decorated with bands of vermilion and green and lively scenes of figures in charging chariots hunting boar, and the calmer pursuit of playing a board game. Its decoration is the closest one will get to 1st centhem is an unusually large

tury Chinese painting. Remarkable, too, is a Han

What singles this piece out. bronze oil lamp in the form of however, is its naturalism, a kneeling slave holding a something neither prized nor lamp aloft. The slave's tunic is usually practised by the Chiworn over only one arm so nese. Physiognomy and mus-culature are detailed to the that the empty sleeve falls to the ground and ingeniously point of folds in the nape of

> Also from the Han period is a menagerie: a snarling gilt-brouze bear studded with cabochous of agate, turquoise and crystal, its razor-sharp teeth and claws silvered; benignly smiling leopard scroll weights are lavishly inlaid with scrolls of silver and double circles of gold. The Tang earthenware entertainers clearly sport false beards. Prices £15,000 to 2500,000.

S. Marchant & Sons mark the renovation of their preuises at 120 Kensington High Street, W8, with a show of

18th century Chinese Imperial wares, the bouse speciality: "Imperial Porcelain of Kangxi, Yongzheng and Qianlong (June 9-25). Most of the types produced for the emperor are

> The great curiosity is an imaginative depiction of Julius Caesar

two-coloured wares, blue and

white and copper-red, fencai and doucai wares - but the show has been limited to 50 choice examples. Another gallery re-opening

ing neighbouring premises. the two-floor gallery has tripled its size. Ironically, the space is inaugurated by a show illustrating the development of netsukes (June 15-July 31). About 200 pieces dating from the 18th and 19th centuries come from a private German collection, the great curiosity an imaginative depiction of Julius Caesar. Contemporary neisuke are drawn from

Large-scale Metji bronzes dominate Spink's annual show of Far Rastern art. June 6-28. A pair of life-size and intricately cast figures represent Futen, god of the winds, playing a flute and Raiden, god of thunder, banging a

At Jehanne de Biolley (29 Conduit Street, W1, until June

38) the emphasis is on Qing dynasty Guan wares - 18th and 19th century celadon crackle-glaze porcelain. Prices \$200 to £8,000. Robert Hall presents a group of Qing por-celain snuff bottles at 15c Clifford Street, W1, June 10-28. Robert Kleiner, at 30 Old Bond Street, offers Chinese snuffbottles and related works of art from private collections,

A characteristically wide

DEGAS Three Dancers' Pastel, (22x14in); e. 1899. Private Collection. London. Priced at £1% mn. from Box B4750, Financial Te

werk Bridge, Landon SET 9H

July 31. Susan Moore umpersing Art of all Ages of the Top Floor

WEST LONDON Antiques & Fine Art Fair 15 - 18 Angust Penman Fairs | 0171 351 9152



OLYMPIA



6-16 June

Over 400 leading antique and fine art dealers from Britain. Europe and the United States. Buy with confidence - all the

antiques are scrutinised by independent experts. Search among fine furniture, clocks, jewels and porcelain, paintings, prints and watercolours, enamels, silver

and glass, books and textiles.

Open from 11am each day.

(Closed Monday 10th) Information: 0171 370 8188 Tickets £10, available at the door Nearest Underground: OLYMPIA, Kensington

We hold the most comprehensive collection of contemporary Australian paintings scultpures and Aboriginal art in Europe

AUSTRALIAN ART

bought and sold at

CORBALLY STOURTON

CONTEMPORARY ART

APPROVED VALUERS

160 New Bond Street, London W1Y 9PA

tel: 0171 629 7227, fax: 0171 629 4494

Richard Allen

Until 22nd June 1996 Full colour catalogue available

Che Antiques Chelsen Old Town Hall. 12-21 September Penman Antiques E.drs 0171 351 1980

THE IRISH SALE in Dublin Works by: Genurd Dillon Norman Garstin (4)
Nathentel Hone
Mainie Jellett Louis le Brocquy
 Rodeste O'Conn
 Walter Osborne (2)
 William Scott + Jack B. Youts (2

o works of literature including an ublished play by Frank O'Connor

For Catalogue and details contact.

de Veres Art Auctions

GROSVENOR GALLERY MARC CHAGALL Original signed lithographs 1950's - 1960's

4TH - 28TH IUNE 18 Albemarle Street, London WIX 3HA Tel: 0171-629 0891 Fax: 0171-491 4391 Weekdays 10,00 am - 5,00 pm

MATTHIESEN GALLERY Gold Backs 1250 / 1480

An exhibition in memory of Six John Pope-Hennessy held on behalf of the Diamond Jubilee of the Artheiris & Rhenmatian Conneil

5 June - 26 July Color and general like UK (28

7-8 Mason's Yard Duke Street St. James's London SW1Y 6BU anne 0171 - 930 2437 | Faze 0171 - 930 1387 | Mon - Fri 10.30an - 5.00pm



Classicist Modernism in Music and the Visual Arts 1914-1935

Kunstmuseum Basel April, 27 - August, 11 1996

Tuesday, Thursday-Sunday 10h-17h, Wednesday 10h-21h. The museum is open on the following holidays: Ascension Day, Whitsunday, Whitmonday, 1 May and 1 August. An event in commiction with celebrations commemorating Ten Years Paul Sacher Foundation

Californ and catalogue were made provide by support with: f. HOFFMANN LA KOCHE LDT., 12-d.

French ballet's treasures, a masterpiece of light comedy buoyed up on Delibes' sunlit and bewitch ing score. At its creation in 1870, Gautier hailed its "comic The result, as we know, is grace", and it is, in action as in melody, unfailingly graceful an acutely judged comic mas-terpiece that conceals its more and light-spirited. At its heart

serious elements under a lie two dramatic ideas: Swansunny surface of peasant jolilda must win her heloved lity and winning good humour. At the Paris Opéra. Frantz's heart and show him the nature of love, while the where it was created on the alchemist Coppelius dreams of infusing life into his autoeve of the Franco-Prusslan war, Coppélia has had a chequered existence, having been mata. These are owed, remotely enough, to a far more macabre tale by R.T.A. Hoff-mann, which was sweetened neglected, revived, restored. re-thought during the passing century. The version made for the ballet in Imperial Russia and simplified for Delibes and by varied but loving hands is the one we know and love Arthur St Léon, the choreographer, by Charles Nuitter, the

Sad tale of radical revisions

Clement Crisp finds 'Coppélia' has lost its magic at the Paris Opéra

mounted by Patrice Burt, the Opéra's chief ballet-master. It is a radical revision of text and score which aims to re-assert the sombre qualities of the original Hoffmann tale, Der Sandmann. The score has been pulled about, with numbers replaced or excised and dances from Delibes' operas interpolated, and the story wholly altered. Sad to say, these changes have made Coppėlia more unlikely than its first version, and rather boring, but no more serious.

Coppélius is now a hand-

love with Swanlida, a dancer of Degas time, seeing in her an image of his own late wife who was a ballerina. His evil genius, Spalanzani, lures Swanilda to Coppelius' laboratory (filled for no good reason with automata) for unclear but doubtless unpieasant reasons, whence she is rescued by her beloved, Frantz, who has become a student of natural sciences. As the second of this staging's two acts ends, we see Swaniida and Frantz requited in a duct, yet haunted by the memory of Coppelius.

I can find no re this production as a valid view of an old and honoured work of art. Roland Petit made a delightful and credible up-dating for his Marseille company some years ago, but his changes sat happily on the score, which he very properly

Bart's concept typicies the current passion for supposedly "despening" the classics by exposing or imposing themes Giselle as a study in madness Soon Lake at an exercise in m inalysis of its hero. clear and by no means incon-siderable tale, and, anforgiveably, plays merry hell with a musical jewel, recutting it so that its sparkle is lost and its shape deformed. What merits the production

shows have to do with the spanking opportunities offered its cast, and Bart's delight in his company's skills. Dances are brilliant, and brilliantly done: there is a Nureyev-like determination that step shall crowd on step, and dazzle the eye as they dazzle the dancers', feet. And they do. The cast I

saw this week was headed by Fanny Gaida as a worldly Swanilda - a bit short on charm, I found - and Manuel Legris, who can do no wrong,

His physical resource (soar owering the stage with technical sparks) is matched by an easy liveliness of tem-perament. His four friends, gifted as he, have a murror in Swamilda's eight companions, who are as fetching as they are bright in manner. (The Opéra produces cohorts of such splendid dancers every eason: schooling tells!) Coppe

lius is Jose Martinez, darkly brooding, credible, and Spa-lanzani is Fabrice Bourgeois, playing what is in effect the traditional Coppelius role in fine style.

Ezio Toffolutti's design is handsome and Vello Pahn drew excellent playing from the Opéra musicians. But to an old Coppélia hand, it was disconcerting to find Frantz zipping through a ferocious solo to the delicious music written for Dawn's solo in Art 3. There was, to coin a phrase, something wrong somewhere. There was, sad to say, something wrong everywhere. Oh

Coppéise is on view on June 1,6,7,8,10,12,13,14 and July 15,16,17,18,19,20 at the Palais

successful festival is more than the sum of its parts; and this is true of the still young **BOC Covent Garden Festival** Covent Garden is, heaven knows, one of the buzziest parts of London, and yet each year it really is somewhat

transformed by song. Venues most of us never enter become the setting for operas, musicals, recitals, masterclasses; some cafés and restaurants become flooded by live arias; and many working Londoners wish they could take the time just to soak it all up for the two packed weeks in which it occurs.

The direction in which the **BOC** festival has developed most markedly this year is the musical. The Freemasons Hall, memorably the setting last year for the festival's production of The King and I with Irek Mukhamedov, will house Comelot next week. And the Ambassadors Theatre, usually occupied by longer-running plays, this year is the home for a two-week production of an utterly delicious production of Dames at Sea.

A large part of the produc-tion's appeal in advance is that it feetures the lustrous American star Kim Criswell, who five years back sang so well the leading role of the West End production of that great musical, Annie Get Your Gun In the event, part of the fun part of the joke - of this pro-duction is the extent to which Criswell mucks in as part of a very fine ensemble.

Dames at Sea is, in certain senses of the word, thoroughly camp: i.e. it mocks what it adores at one and the same time. It is an old-style musical (actually written in the late note which is regretiably short of factual information) that laughs at 1930s-type musicals even while it palpably celebrates them.

Ruby steps off the bus from Utah, nearly loses the suitcase containing her ruby tap shoes, lands a chorus job in a Broad-way musical, falls in love with the sailor and budding songwriter Dick ("Where are you from?" he asks her. "Utah." "You too!"), somehow transfers with the entire cast to Dick's ship when the show's Broadway theatre is demolished, nearly loses both Dick to the show's star Mona and her job too, but - when Mona collanses in mid-show from sea-sickness - finds herself going on in Mona's role and becoming an instant star...all in one day. Only Dames at Sea, which lasts less than two hours with interval, has much, much more plot than that little précis.

The book and lyrics for this daffy, naughty, happy musical are by George Halmsohn and

there are mind bogglingly com-

years, but for generations.

plicated elections. Then talks,

🤼 he outside world

scratches its head and

wonders about North-



Litturis delicious experiences John Peterson and Sara Crosse in Dames at Sar

Drowned in pleasure

Alastair Macaulay on a new production of 'Dames at Sea'

Robin Miller; and the music is by Jim Wise. The score is ideal pastiche: Wise not only captures the period to perfection, but he also shows you his

sources as he goes along. Though "That Mister Man of Mine" is a hit number in its own right, part of its fun is the way it uses the same four-note premise as George Gershwin's "The Man I Love". (Another part is its words, ending up with "I can't live on kisses/So I'll never be Missus/To that Mister Man of Mine".)

And he and his colleagues can laugh more forcefully at the kind of trite waltz song that was already dated in the 1930s, as in the hilarious "Echo Waltz" ("though critics may

say/That to sway/Is passé...") John Gardyne's production is full to the brim with pleasures major and minor. A very great plus is the degree to which Lindsay Dolan, the choreographer, has all six members of the hard-working cast dancing with terrific flair in a

variety of styles. Two of them, Joanne Farrell as Ruby and Jason Gardiner as Dick, are obviously accomplished hoofers as well as more than decent singers. But the most winning dancing of the show occurs in a handful of ordinary steps irresistibly delivered by John Peterson (a wonderful performer all round)

as Lucky.

comes from Kim Criswell in her ultra-Latino duet, "The Beguine", with Peter Duncan as Hennessy, with its blissfully and absurdly sexy little rumbatype changes of direction and tango-type twists of the head. (At this point - don't ask why - Mona/Criswell has reverted to a Hispanic previous persona.

Consuelo, seducing Duncan who is, er, the captain of the ship which she wants to use as the stage for the show.) Other pleasures include the minimal degree of amplication

used; the stylish designs by James Hendy and Allson Car-tledge; and the marvellous security of Criswell's singing. The only problem is the silly The wittiest dancing of all strangulated-frog voice with

which Sara Crowe - playing the tough broad Joan who knows that Mona was originally Grace Toppeloffsky seems to think it necessary to act, here as in every other production in which she appears. (It's even worse when she

And yet even Crowe here, for the first time in my experience, is a winner. She has timing, she moves with wit, and she relishes the deadpan punch with which she puts across numerous lines. Ruby asks "Was that really Mona Kant?" "Yes," replies Joan. "Every balt and rivet of her."

WC2, until June 8.

Radio / Martin Hoyle

How the others see the English

(Industrial Relations Denartment) Award of the Week goes to one John Pender, of a firm called Chelfield (take note), which enjoys the privatised franchise for buffet trolleys on Regional Railways North-East.

To those employees unhappy at the abrupt cut in wages from 23 to 21 an hour, he writes: "My advice to you is clear: leave. You will not be

in fairness, buffet stewards are meant to make it up in commission; 10 pence rake-off per sandwich, hardly provides an enticing career prospect for the ambitious young, especially as work conditions exclude sick pay, holiday pay or talking to the media.

It is not as if there were that

many chimneys or mines they can send their children respectively up or down any more: Legal? You bet it is, the only possible cause for complaint being "insufficient consulta-

Tuesday's You and Yours came up with this piece of industrial archaeology positively thriving in our rush to privatisation. This, along with Pace the Facts, Analysis and any number of consciencetweaking, bard-nosed investigations, illustrates why the BBC's independence should be

The Law Is an Ass Award (Pettifogging Little-Hitlerite Provincial Bureaucracy Department): to East Devon County Council According to Tuesday's P.M., they have ordered a woman to destroy the fruit of over a decade's labour in creating a pretty garden, complete with fantail pigeons, since the land concerned is designated as coun-

She has been told to return it to the eyesore patch of bog that was there originally. No pressing environmental reason

Of course, they are all English on that side of the Tamar, as the Cornish smugly reminded us in A View from Abroad. A woman from Pennsylvania, a teacher and poet, who carries a Cornish pebble around with har, proved what the tourist industry terms "a nosbover".

In a voice hushed with tremulous emotion (rather like Paul Gambaccini introducing Pachabout the timelessness of "this wonderful area" and wonderingly asked the locals why the Cornish language had been "shunted aside" (the fact that it was totally useless in the modern world appeared not to

occur to anyone). The Cornish welcomed her with the alacrity their forefa-thers showed in luring ships on to the rocks and massacring the survivors, playing up their mysticism and lamenting that their legends are discounted because they fail to "fit in with archaeology" (i.e. are bare-faced fiction).

An unconscious humour was dded by the inclusion of these

They only have to switch on Radio 4 for an American accent or an American theme to assail

Celtic romances being recounted by children in impeccably middle-class English, most of which bore lit-

their ears

ie trace of Cordis Meanwhile, the locals did what the Cornish do best when a well-stowed vessel is sighted on the horizon and emphasised Cornish-American links. Why, some of them have been heard to use words like "sidewalk", cried one, misty-eyed at this hands-across-the-Atlantic Bruderbond 'twixt Celt and New World, to the exclusion of the

Dear lord, where have these people been? They only have to switch on Radio 4 for an American accent or an American theme to assail their ears, from Woman's Hour (even in the Bank Holiday edition, devoted to a famous Liverpool woman MP. Woman's Hour has a unique idea of holiday fun) to A Good Read (the remorselessly would be trendy Sarah Dunant has overcome her heavy breathing but not the glottal stops).

Foreign Bodies had its share of gleeful American voices (and one Antipodean, lamenttheir stages were lower), incredulous at their sexual luck in Tokyo.

Japanese women have apparently never been taught to say no. This exploration of the night-life/clubland area of the Japanese capital was saved from being thoroughly unsavoury by the women them-selves: self-possessed, unembarrassed, clear-eyed, and certainly claiming their side of the bargain.

Breakaway broke new ground with its survey of gay Amsterdam, a curiously antiseptic piece given the purpose of the clubs and hars visited by its chirpy correspondent. A cor reference to a snogging couple by dawn's early light, then it was off to bed: "Alone - of course!" The item discreetly rubsided between all possible

The theme of seeing ourselves as others see us has been this week's thems. Brussels Goes Bananas comes into the category of Lotta and the Englishmen, heard a few weeks ago, which left me wondering, a foreign version of straight-faced comedic reporting on the lines of *The Day Today* and other hoax-like send-ups of immortal memory.

This Belgian co-production was fronted by two alleged Euro-officials who sounded like cross between the hosts TV's Eurotrash and Peter Sellers' Inspector Clouseau.

A sort of "Candid Camera" of the microphone, the programme queried members of the British public on their linguistic abilities, driving on the right, swapping places. with French counterparts for a few months (one London barber sounded distinctly ner-

Their search for typical Britons threw up a girl with green hair at a "legalise marifuana" demonstration and a Soho-ite complaining about the idiocy of the striptease regulations before they beat a baffled

An engaging item which reinforces the image of Magritte's underrated homeland as the most quietly witty country in the European Union; even though it may not inspire Pennsylvania poets to carry pebbles from Pepinster or lumps of lead from Liege close to their hearts for ever

Hope and despair in no-man's land

Kieran Cooke on a powerful drama about Northern Ireland's Troubles

or talks about talks. 1974, in the darkest days of The pundits descend and try Northern Ireland's Troubles. The city is in chaos as thouto explain what is, or is not, going on. It is an impossible task. Locals say the province sands of loyalist workers defies rational explanation. mount a strike to bring down a power sharing executive, Learning about Northern which, for the first time, conireland and its problems requires an extended period of tained members of the Catholic nationalist community. internment in the province -

got just for a few months or Five people are trapped in a house on the firing line Pentecost, a play by the Belast writer Stewart Parker at between the city's Protestant and Catholic working class ghettoes. Each is trying to resent on tour with Dublin's Rough Magic company, is a come to terms not only with the mayhem around them but thort cut to a deeper underalso with the disarray in their tanding of that strange slice of land on the western fringes own lives.

Miriam, a Catholic separated

moves into the house. She first has to confront the ghost of Lily, a sharp-tongued Protestant and former owner of the house, who is enraged to find a "Fenian savage" making her-"You've been at your Mass

again," says Lily. "I can smell Miriam's former school friend Ruth, a Protestant battered by her policeman husband, moves in. So, too, do Miriam's estranged husband and his friend, returned from

The dialogue sparkles with

remember their time as idealistic students, trying to prevent the outbreak of the Troubles by tipping hallucogenic drugs into the Belfast reservoir, in the hope of rendering the city's population incapable of anything but dreaming

One member of the household decides that weddings and funerals are very much the same in the province. "Only no one takes photos at funer-

Each feels alignated from the outside world, which has passed Northern Ireland and its ancient problems by. The English, as clueless as ever

wait for reason and fair play to break out. Harold Wilson's speech at the time of the strike is played. Who do these "spongers" think they are?

The smug wee English shite, with his squeaky voice," says Ruth Northern Ireland is subjected

to merciless abuse. It is small-minded it is "Lilliput". the "arsehole of hell". Yet at the same time the province and its problems serve as the give which binds the house-hold and all its differences

Mirjam as the central char-

with passion and verve by Eleanor Methven. Carol Scanian captures the repression and bitterness of the ghost Lily, while Paul Hickey alternates between clown and phi-

losopher as the returnee. Pentecost is directed by Lynne Parker, the niece of Stewart Parker, the play's author. Lynne Parker is a veteran of several productions both in Ireland and Britain and is part of a group of young Irish directors establishing themselves as a force in mainstream theatre.

Stewart Parker, who died in 1988 while still in his 40s, was acter of the play, is portrayed from Belfast's Protestant work-

ing class community. He felt that a sense of rejection and alienation were deeply embedded in the Northern Ireland psyche, particularly in his own

Growing up in Belfast as a working class Protestant, I had access to all sorts but did not feel part of any of them," said Parker. "You're led to believe you're British yet the English don't recognise you as such. On the other hand, you're Irish because you're born in Ireland, but the people in the Free State don't recognise you as such. The working class element adds another dimension.

the Unionist establishment. In a sense you inhabit no-man's

The house in Pentecost is a metaphor for that strange in-between world. Yet it is also a symbol of hope. It remains standing amidst the riots and army patrols. Somehow life

The bousehold agrees that if God came down to Northern Ireland he would close every tabernacle and church in the province. In the place of religion would be a more perva-sive spirituality in which people would have to learn to love themselves first, and then each

Pentecost is at the Royal Lyceum, Edinburgh, until today, the Belltable Arts Centre, Limerick, June 5-15, and Andrews Lane Theatre, Dub-

LIMITED OFFER FOR TICKETS @ £210 BUY 1 GET 1 FREE ON 0171 344 4444 ONLY!

Saturday 6th JULY '96, 7.30 PM TELEPHONE: 0181-900 1234

OR 0171-344 44 44



CARRERAS DOMINGO PAVAROTTI LEVINE

ANOTHER TIBOR RUDAS PRODUCTION



TT 18816 FW

SPORT

I ime was when a chap could safely watch the start and first few laps of a grand prix, snooze through the tedium of the mid-race procession, then wake to check out the final, predictable parade past the chequered flag.

That is not the jaundiced view of a veteran couch potato.

I have been bored stiff in Buenos Aires, soaked at Spa and once memorably for a place which in spring and winter contrives to be the coldest place on earth - sundried at Silverstone while dancing attendance on Formula One.

Even Gerhard Berger acknowledged this month that the introduction of refuelling had been a good idea, in spite of its dangers, because TV audiences had become "understandably bored with watching endless processional races with very lit-tle overtaking". And he drives the

But surely, after the events so far this season, not even the most

Full bore to grand prix excitement

John Griffiths is moved to agree with his mother - that the tedium has been driven out of formula one

certainty. My mother, wholly a stunning pole position practice five races and on the principality's unable to tell the back end of a Benetton from a barbecue, rang after Monaco to say she had watched the whole race all the way through - as she did Germany's Nurburgring race and the preceding contest at Imola. Truly, grand prix

must be on a roll. But then, who among those who watched could ever forget the sights of Monte Carlo? World champion Michael Schumacher, who makes the average pontiff seem lacking when it come to infallibility, ordinarily throwing his Perrari into the wall just half a lap into the race -

and after an inept start.
Furthermore, his blunders came after we had all been convinced, via lap half a second quicker than anyone else, that Ferrari was poised to take its first big step towards a drivers' world championship title - last secured for the Prancing Horse by Jody Scheckter in the 1970s.

And Damon - poor, poor Damon Hill. In past seasons, the Rothmans-Williams-Renault driver has too often been his own worst enemy; too sensitive to media criticism and, partly in consequence, quick in practice but erratic in traffic and excessively prone to overtaking errors. But this year, his newly grown thick skin shrugging off the media barbs, Hill has matured.

He came to Monaco with four wins from this season's preceding

winding, crowded streets drove a textbook race. He out-dragged Schumacher into the lead; inexorably opened out a gap of many seconds even over that acknowledged wet weather virtuoso, the volatile

Frenchman Jean Alesi.
Only on a few occasions in recent seasons has a driver so clearly had a race in the bag. And on lap 41, his Renault engine had a rare but catastrophic failure, and probably the best chance the Englishman will ever have of victory in the race he has most wanted to win - which father Graham won five times - lay shattered among the engine bits.

Alesi, this year's enfant terrible nonpareil for his litany of collisions

and off-track excursions, should have inherited the win. Sixty laps in, only a dozen or so to go, yet he. too, was out - victim of a broken

With Schumacher's defection to Ferrari, Benetton team boss Flavio Briatore is already finding life as an also-ran thoroughly discomfiting. Before Monaco, he had read the riot act to both Alesi and team-mate Berger and has made it known he is scouring the paddock for possible replacements. A win could have helped repair the breach. Instead, Briatore found himself with the unlikely consolation of the debut victory of the young Frenchman Olivier Pants in his Ligier - a team which Briatore also mostly owns.

The Monaco scenario - not least of only four cars surviving out of 21 starters - will not be repeated on the broader sweeps of Barcelona's Circuit de Catalunya in this weekend's Spanish grand prix. As team owner Frank Williams points out: "Monaco, in many respects, is a freak circuit and freak tracks are

going to produce freak results." But the ever-swelling ranks of F1watchers, need have no fear of a relapse into tedium.

Schumacher, still kicking himself for his Monaco misdemeanours, is now confident that speed and reliability of the blood-red F310 are such that victories - possibly even a serious stab at dislodging championship leader Hill - are on the

cards this year. Hill, whose 21-point lead over team-mate Jacques Villeneuve and 27-point advantage over Schumacher were left unchanged by Monaco, once again set the fastest time in testing at Silverstone

With six races gone and 10 to go, the prospect of the title grows ever stronger - and so does Hill's determination. A trouncing by Schumacher tomorrow could vet send the whole facade crumbling. But even F1 impresario Bernie Ecclestone, not exactly one of Hill's most ardent admirers, now admits the British driver is "doing an absolutely superb job".

Add to the plot the resurgent McLaren-Mercedes, following David Coulthard's second place at Monaco, the enigma presented by Villeneuve - so quick on his Formula One debut, not quite so impressive now - and the partly guided missile factor of Jean Alesi, and the scene is set for fireworks all over again. Keep watching, mother - the pointy end is at the front. Not that you could tell from Monaco...

Why the players are dancing a different tune

Simon Hughes on David Lloyd, England's popular new coach

series, just completed, was a triumph of mind over matter. India had the best butsman (Tendulkar) the best bowler (Kumble) and the best recent form. Since January, England had played nine, lost nine, against serious opposition. While India's World Cup squad was still more or less intact, England had dropped seven and some of the replacements werean unknown quantity. Behind the scenes, the

equabbling between the chairman f selectors and various disgruntled players was threatening to destroy what was already an unhappy marriage. Then in strode David Lloyd, former Test batsman, perspicacious coach and professional Lancastrian, a new director with the task of quickly assembling a cast in the rehearsal

等在上海(1953) 第15年第15年(1953)

WHITE OF THE

and, breathing pride and ambition, focused on the mental side. The core of his approach was a series of motivational aids – videos of great sporting moments, recordings of Churchill speeches, slogans, catchwords - to nourish that elusive commodity, confidence.

He presented new prompts which he was sure would help each player to express himself better. The results exceeded expectations. No one forgot their lines, and all delivered them with a verve, even an enjoyment rarely seen on an England stage. Wearing the national costume actually meant something, rather than resembling just another outfit, and, in the end, England won the series comprehensively.

David Lloyd is a born enthusiast. He bubbles with energy in everything he does, be it coaching. after-dinner speaking or presenting TV programmes on growing your own fruit. He has a motor mouth uttering 200 words a minute in a rich, burring and baffling Burnley-speak eagerly absorbed by fawning reporters ... "Alister Brown, openin' the innins, woon day internashionul, own ground. Bottle! . . . Then Ronnie got us goin' ... played nicely Ronnie . . . when 'e walked down

them steps you could tell: luke at me, it's me now, my turn. I'll 'ave a doo." Known universally as Bumble after a bouncy, children's cartoon character with a big nose, Lloyd is the England buzz.

A stylish left-hander, he progressed, after learning his cricket at Accrington CC, to opening the innings for his county and, briefly, for his country, making 214 not out against India in 1974. He also captained Lancashire

before another very different Lloyd · Clive - took over. The repartee he developed during his playing days guaranteed a lucrative second career, and, when he retired, he was inundated with speaking invitations in an area of England where sporting dinners are as common as jumble sales.

The players respond to him initially because he is on their level, with their interests at heart

His abundance of anecdotes and quirky humour made him a popular, though only temporary. member of the first-class umpires' panel, and he won further exposure for his Test match commentaries on radio and television.

But while his mouth was behind the microphone, his heart always lay in the pavilion. He was loath to criticise players publicly; he had a son in the Lancashire team and hung about the Old Trafford

dressing room like an adoring fan. It was only a matter of time before he progressed from working with junior teams to becoming the county coach. Lloyd made an immediate impact. He brought in eye specialists, psychologists and fitness experts, bought baseball mits for everyone to encourage more stringent fielding work-outs and underpinned the quest for

individual improvement with an emphasis on the team ethic. "Teamwork is all," he says. "If you're under the cosh and you've got two in and they're playing well and the ball's spitting and turning and grubbing, I think it's vitally important that they can look up to the balcony and see the team watching and enjoying it." For much of last season, Lancashire played vibrant cricket, winning the nson and Hedges Cup and finishing in the top four in the Championship and Sunday League.

Lloyd has something in common with another intended saviour of English sporting pride - Glenn Hoddle. Both are influential artists with agile minds who cannot boast a league winner's medal as either player or manager. That won't deter Lloyd. He is as happy as a sandboy roaming around grounds, filming batsman, discussing bowlers, canvassing opinions, iling stories. Virtually every sentence begins with "I remember

He is a disciplinarian but treats cricketers as equals rather than subjects. Yet fun and enjoyment is top of Lloyd's bill. "Cricket is not funny, but you can enjoy it - must

enjoy it," he says. Nudging 50, he still embraces new concepts and demands. It was his idea to put together a sequence of each player hitting sixes or sending stumps flying set to their favourite music. So the England team emerges on to the field humming the sounds of M People's "Search for the Hero Inside yourself" and Tina Turner's "Simply the Best". The players respond to him initially because he

interests at heart. The selectors meet this weekend to pick the team for the first Test. There will be some banter between Lloyd and the England captain Mike Atherton - good friends for 12 years. But there is serious work to be done, and Lloyd knows that the extension of his six-month contract

is on their level, with their

hinges on England's Test performances in the coming weeks. Released or retained, he will give the same answer he always gives to questions about cricket - "Glad to be part of it."



Football/Peter Aspden

Game of gloriously human imponderables

All-round excellence: Michel Platini in 1984

ment of the squads for next week's European Championship, we can get down to serious scientific analysis to judge the prospects of the 16 nations taking part. Except it is not quite as easy

Football is only partly about strategy, tactical acumen, refinement of technique. The rest is down to those gloriously human imponderables strength of character and maturity of purpose. It was surely with these in mind that the country groaned to hear of the England squad's latest escapades on their flight back from the Asia.

You can talk all you like about systems and plans, but if the mental adaptability and sophistication is not there, you might as well be talking to monkeys. England's footballers, with some notable exceptions, have never distinguished themselves in this regard. It is Adams was outstripped in the

playing styles is reflected in the thinking of those asked to execute them. And yet to his credit.

England's coach Terry Venables has done his best to introduce a more refined, modern dimension to England's style. His squad has a pleasingly flexible look to it. Venables rightly believes that there is not that much difference between playing as a twin centre back and as a defensive shield in midfield; hence the presence in the squad of Sol Campbell and Gareth Southgate, who may be asked to perform either function.

It might seem like a small step, but remembering the defensive chaos of England's abject World Cup qualifying defeat in Norway under Graham Taylor, it is remarkable. Unfortunately for Venables, England's defence has not been tested for more than two years.

But the ease with which Tony



Hong Kong XI composed of Sunday beer bellies and veterans was sobering.

This week will see Venables putting the final touches to the system he is widely expected to employ: a 3-1-4-1-1 formation which depends more than is desirable on the two Pauls,

ludicrous encounter with a

men; yet they managed to lift Ince and Gascoigne.

drunkenly in disbelief. Before that, Michel Platini's remarkable goals and all-round excellence in the 1984 tournament; Marian Masny's superb displays in the enthralling 1976 finals; Gunther Netzer's arrogant domination of the 1972 competition in Belgium. All were of proven pedigree at the start of their respective tournaments, and therefore marked

caprices of players. Interna-

tional tournaments are tradi-

tionally dominated by the

player who is most "up for it". Moments of brilliance can

undermine the most meticu-

lous planning. Think of Marco

van Basten's searing volley in

the 1988 European Champion-ship final against the Soviet Union, which left the Soviet

keeper Rinat Dasayev lurching

their teams at the right time. One can look closer to home But once the first whistle of to prove the same point. This

Euro 96 gets things under way, tactics and systems take second place to the whims and place to the whims are placed to the whims are placed to the whims and place to the whims are placed to the whimself to the white system. True, United's sharp tackling and sound defence snuffed out anything Liverpool could throw at them; yet it just took one sweetly-struck volley to swing the game. It is the beauty - and the near-unbearable frustration - of football at

the highest level. I am sure Venables was fascinated as he watched Ajax and Juventus, two of Europe's most sophisticated sides, battle out the Champions' League final in Rome two weeks ago. It is easy to become enraptured by Ajax in full flow. Their fluid and fluent passing game - based on immaculate technique and concentration - can have a mesmeric effect on opposition and spectators alike.

Yet Juventus, deciding to eschew the midfield battle playing with three forwards, and concentrated on supplying

them early and frequently. Ajax's three-man defence looked flustered from the start; the hard running and pressing of Gianluca Vialli and Fabrizio Ravanelli never let the Dutch side settle into a rhythm. It was not quite the Charles Hughes school of up-and-at-'em football, but it certainly was not the type of patient, phlegmatic game we have come to expect from Italian sides.

Juventus still only managed to draw the match, however. To win the cup, they had to rely on the nerves and technique of their four penaltytakers who duly stood up to be counted. It would be a big surprise if Euro 96 did not see at least one game decided in this unsatisfactory manner. Yet to take a penalty is the ultimate test of technical ability and strength of character. Contrary to popular belief, luck has little which they would almost cer- to do with it. Perhaps these tainly have lost, countered by crude dramatic cameos encapsulate all that football has to

FOOD AND DRINK

South African wine / Jancis Robinson

A need to learn the tricks of trade

t is difficult to spend more than half an hour with a South African wine producer without hearing some reference to Australia

Australia has only about a third as much land under vine as South Africa but exports about a third of its wine production. The comparable South African figure is well under 10 per cent. Australian wines also swim at an enviably higher price and visibility level than South Africa's and, it has to be said, are worthy of it.

One significant person prowling around last week's London Wine Trade Fair was a Master of Wine paid by Australia's biggest wine producer to keep an eye on the competi-tion. One of the things that surprised him most was how little progress South Africa seems to have made over the past two years, especially in comparison with Chile, which has been sending shivers down

Australian spines. Do South Africa's wine producers realise just how competitive the international wine market is? Many seem to think that all they have to do is learn one or two Australian tricks and then sit back and count their export income.

Fierce, flexible, go-getting competitiveness on the international marketplace is not perhaps in the psyche of the typical South African wine producer, who may be more comfortable chewing the cud over a brasi and a beer than rehearsing his sales pitch to the waiting room at Tesco in Cheshunt, Hertfordshire.

South Africans have been cocooned to a certain extent by the fact that there is a shortage of internationally desirable grapes such as Chardonnay and Merlot, so these wines tend to sell out easily, whatever their intrinsic quality. On the other hand, 70 per cent of all South African vines are either Chenin Bianc, Colombard or some even less sexy

Well over half of the Stellenbosch wine region, South Africa's Napa Valley, is planted with Chenin Blanc vines. Farmers seem reluctant to graft over or bull out such an obliging workhorse, no m ter how difficult its produce

Sterik de Wet, head winemaker for the all important KWV, the semi-official exporting co-operative group, believes that there may even be a surplus of basic wine in South Africa towards the end of the year. For the first time in living memory, more than 70 per cent of the country's entire grape crop was made into wine in 1996 (more than half of it went into grape juice

and grape spirit before 1994).
The 180-odd winery owners (from a pool of more than 4.500 growers, most of whom sell their grapes to a co-op) are in an enviable position, however. They are the ones responsible for the great majority of all South African wines that are ever written about. But they represent such a small proportion of national wine production that they can sell every-thing they make twice over (and frequently do, according to some UK importers who feel South Africans have a thing or two to learn about the mores of

international trading). The key to South African wine's long term future is probably the extent to which probably the extent to which the co-ops can be harnessed to produce something more competitive on the international market than the cheap, but often vapid, Colombard and Chenin Blanc that has been their principal contribution.

Producers may be happier chewing the cud than rehearsing a sales pitch

essarily awful, indeed the Robertson area seems to put a particularly attractive, smoky spin on Colombard - even if it trumpets its prowess with Chardonnay louder. The lavishly financed Graham Beck winery (and stud farm) has fashioned a seriously good value Waterside White 1995 from Colombard given gloss by the injection of 20 per cent Chardonnay with a light dust-ing of cak. The 1995 is sold by Eldridge Pope/Reynler around £4.50 and the 1996 should be in Safeway stores at 28.99 within

the next lew weeks.

And the UK is, hearteningly, sinning to see some characterful, concentrated Chenin Blancs made in the model of Boschendal's excellent 1984 such as Frank Meaker's Tharskkoma 1995 (£4 Bibendum, NW1) and Winelands Bushvine i and Villiera Oaked 19 (£4.49 and £4.99 respectively at Thresher/Wine Rack/Bottoms

Predictably, the commercially liveliest South African wine producer I met on my recent visit is also taking Chenin Blanc seriously, as witness the pungent, uncaked Fairview Chenin Blanc 1995

(£3.99 Waitrose). Charles Back is hip enough to be planting Viognier grapes, enterprising enough to be punching some oak-chipped

Crouchen/Chardonnay 1995 (£4.39 at Fullers), clever enough to mature a deliciously long, rich Fairview Semillon 1995 (£5.99 Oddbins) in ex-Chardonnay barrels, and inventive enough to turn unfashionable Cinsaut grapes into the dry, sunny Fairview Dry Rosé 1995 (£3.49 Asda) that is a definitive outdoor

A good red wine model for the co-ops is Safeway's rich yet dry Kleindal Pinotage 1995 from the Rooiberg co-op in Robertson at £3.99. Safeway's more expensive Pinotage from Simonsviel looks poor value in comparison but this Paarl giant has somehow managed to provide Asda with a juicy Cape Red from Cinsaut, plus a little Pinotage and Grenache, that is actually quite acceptable for just £2.99 a bottle, or £10.99 per three littre box.

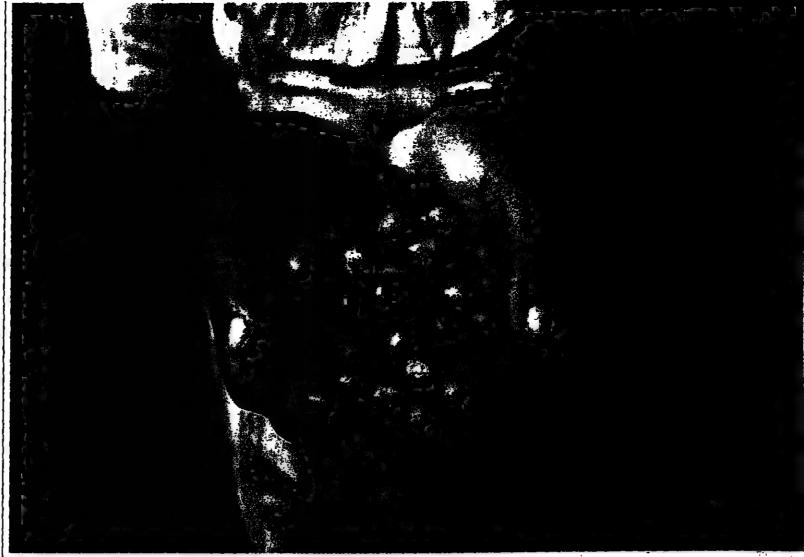
Asda has a particularly good selection of South African wines, notably some gems from Stellenzicht. Its owner and winemaker are busy trying to elevate its wares from bargains to crown jewels. This may be the last time therefore we can buy such dramatically full throttle reds as Stellen Bush Vine Zinfandel 1995 (64.99 Asda).

Even more unusual from any country other than Australia is the richly botrytised Stellen-zicht Noble Late Harvest 1995, just 25.99 a half, also from Asda. It is gorgeously big and blowsy now – for glasses not cellars - and Majestic has the historic and impressive sweet Vin de Constance at £9.99 per half-litre flask

The Oak Village label applied to charry-picked lots of wine by Master of Wine Lynne Sherriff is generally reliable with Vintage Reserve 1994 (23.99 Tesco, Spar, Co-op) being rounder than most South Arrican reds at this price.

New names to look out for at higher price levels are Jacana, where Hugh Ryman has made a spiencid 1996 Pinotage; Vergen, which is responsible for Sainsbury's best South African wines, including Sainsbury's Reserve Sauvignou Blanc 1995 (\$4.45 69 stores); and Weigemeend, whose **Douelle 1992, (£7.99 No** Young of Trumpington, Cambridge) is a particularly gentle, stylish blend of Cabernet, Mer-

lot and Malbec.
The KWV, like everything closely allied to the old South Africa, is in a state of urgent evolution. Charged with making as many Rands for its cooperative members as possible it is now planning to sell wins to the British that comes not just from the Cape, but also from Argentina and - where else? - Australia.



Beans means Jamaica

James Henderson finds out what makes Blue Mountain coffee so special

he Blue Mountains in Jamaica rise steeply behind the city of Kingston. In just a short drive the uncomfortable hundrum and hustle of the capital evaporates.

The Blue Mountains are a side of Jamaica that so few people see: they are one of the most relaxing and charming places in the Caribbean. Immensely fertile, their camel-back ridges are culti-vated up to the 4,000st reaches of the rainforest. Most importantly, the Blue Mountains are home to a renowned cof-

My walking companion was Willia, a tall man of about 50, whose brown, feltlike dreadlocks were collected in a bunch at the back of his neck. He presented himself as an organic farmer. As we walked, the conversation ranged tround provisions and market life and then as we pessed through steep fields of bushes with shiny, crinkled, dark green leaves, it turned to coffee.

He spoke in an unusually low voice, with the lyrical and laconic speech so typical of the Jamaicans: "Well, you know, many people dem say dat Jamaica Biue Mountain coffee de best

coffee in de world." It is not only Willie and the rest of Jamaica that assures you so. At Whit-tards, of Chelsea, London, coffee buyer Giles Hilton agrees that Jamaican Blue

Mountain is one of the world's finest. He says: "There is a magic about Jamaican Blue Mountain which inspires awe among customers. The growing conditions are perfect and the drink itself has an exceptionally smooth and slightly sweet taste, which can be

recognised at once." Certainly Blue Mountain is the most expensive coffee in the world. It retails at £26 per pound, four or five times the amount of most other pure arabica coffees. Drinking it is a prestige event. Blue Mountain has its devotees and the demand is definitely there.

To begin with there is a scarcity

ates the perfect geographical conditions for the beans. The industry is growing in leans and

the crop.

bounds. Hurricane Cikh immensely destructive - 40 per cent of the heavy-bearing plants were killed and others faded after a couple of years because their roots had been damaged but the Jamaicans are bullish about the industry now. There has been a huge increase in cultivation as farmers switch from more traditional crops to

value: the geographical area of the Blue

Mountains is limited and carefully

defined. More importantly, the Japa-nese take more than 80 per cent of the

total product (they also have large

In Tokyo, people are prepared to pay stily amounts of money for Blue Moun-tain coffee — a simple cup will cost

about \$10. The rest of the world fights

over the remaining 10 or 15 per cent of

Blue Mountain coffee must be grown

at an altitude of 2,000ft or above. The

volcanic soil and the temperature are ideal, but some say that it is the steep-

ness of the mountains (and therefore

the quality of sun and shade) that cre-

investments in the industry).

Willie had the view from the ground. "You know, these people planting coffee by thousand upon thousands of acres." he said, "and three-quarters of the politicians in Jamaica are planting too." When we took a break in a rum shop, the talk was all about coffee and how it is turning an excellent profit.

A man walked by with a curious double kilter; his arms swong back and forth as he pushed his heavy barrow uphill, but he was also compensating awkwardly for a sack on his head. At the junction he handed over his hand of red and green beans, which were mea-sured off in a wooden box of an eighth of a bushel and then poured into a

wicker basket. Willie explained that the coffee was then taken to the Mavis Bank coffee factory. The factory sits in a cleft between steep slopes, its red-tin routed buildings set among "barbecues", flat concrete stretches where the coffee beaus are dried in the sun. I met the owner, white Jamsican Keehle Munn, 75-years-old and sharp and spritely. His

family has been in the coffee business

since before he was born. He has worked in Jamaican agriculture most of his life (including a stint as agriculture minister), and now he calls himself a relic of the hills. He was also Jamaica's first coffee cup-tester. I was given a tour of the factory. The charry berries are "floated" first of all;

light, sub-standard beans are raked off and the good beans are then sinced gradually down to the pulpers. Machines spin and strip the skin, spit-ting out coarse white beans called "wet three days to remove the last of the berry flesh. The wet parchment is then cured, by drying for five days on the barbecue, turned regularly by men walking briskly back and forth pushing toothy wooden rakes.

🕇 oo much moisture or rain causes mustiness in the eventual taste and so the beans are heaped up at night against the dew. The dry parchment is bagged and taken to the warehouse to be rested. After about five months the rested beans are brought out again, warmed for a short time on the barbecue and hulled. The eventual product, after the parchment has been hulled and blown to remove dust and chaff, is "green bean", which is sorted, sized and bagged or packed in barrels (of ash or oak so that it does not take up an alien

Some roasting takes place at Mavis Bank. The green beans are cooked to a dark tan, cooled quickly and then ground

flavour) for export.

handling coffee. "Reating," he says, "is some mystic thing we don't understand, but the flavour is definitely improved

He thinks of the beens as sensitive and delicate: "If I put a woman with a lot of perfume in a room with my cof fee, then it will come out tasting of the perfume, but not the other way round. Coffee must be treated with great care."

The maintenance of standards falls to

the Coffee Industry Board in Kingston which is widely reckoned to do a good job. There are a few "pot-rossters" in the Blue Mountain area who dry their beens by the roadside - picturesque, but not good for flavour - and who tend to over-roast (which turns the beams a shiny, darker brown by bringing the

oils to the surface).

The CIB advises people not to buy from them, and does not parmit them to export under the Blue Mountain label. Export of Blue Mountain coffee has been growing by between 15 and 20 per cent for four years and output is set to increase as more cultivators get into the game.

There is still a mystery as to how Blue Mountain manages to command such high prices on the international market. Most of the UK coffee import ers view it with good-humoured bemusement and marvei quietly (it is highly profitable), but they acknowledge the extremely fine product and then wish the Jamaicans tuck with

I brought home a bag of roasted beens from Jamaica (where you buy at a bargain price of course) and set about making some.

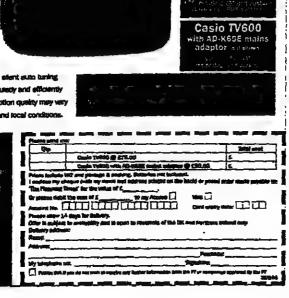
According to Giles Hilton, Blue Mountain is not supposed to be a strong coffee: it is medium roast and mellow. This certainly held out in my own expe-

Bine Mountain has an excellent smooth and sweet taste in the mouth and a very pleasant after-tasta. An Keeble Munn speaks with obvious enthusiasm about a lifetime's work extremely satisfying cup of coffee.



a migrati and durable £75 Suction. Yet us 220g. E's rematisable lightweight. and all the technology fits into a space suit 131mm x 81mm x 32mm. you the latest design Cases The Case TV600 takes 4 TVEOD LCD at a sawing of AA bestimes inci included £14.99 on the FLR.P. which Of carn be powered by a Will allow you to haten the compact mains adapti with the latest aporting action and entertainment, whether tistugh that exclusive offer at your desk, in the garden Casio TV600 The 2.2" colour screen gives a starp, clear picture and the There is a built-in louds at was the a freedphone (ask means that the Casio TVSOO will quietly and efficient find the next summer. However, reception quality may very

Telephone 01483 268 888.



have always found it difficult to walk past a Paris bistro. I am attracted by their location perhaps overlooking a treelined boulevard - as much as by what they serve. I am attracted by their names, whether the intimate Chez Pauline or the more philosophical Café de la Paix, and by their pedigree, such as at La Potée aux Halles, which goes back to the turn of the century. Today, it is even more difficult to stroll past because of the large blackboards proclaiming cut throat prices on offer. Paris bistros are in the

middle of a price war. Most worryingly, there is the growing challenge from le fast food, typified by McDonald's 42 branches in Paris alone. But the short-term joit to business has come from the general strikes last December and their effect on what even Parisians are prepared to spend in histros. The strikes ruined trade in December and January and, although it has improved, its resurgence depends on ultra-

keen pricing.
Faced with empty tables five months ago, restaurateur Mark Williamson cut the price of his lunch and dinner menus at Willi's Wine Bar (tel: 42 61 05 09) to FFr140 (£17.78) and FFr180 respectively. More conspicuously he added at the bottom of the menu: Tout soud Le Power - everything included (ie, three courses, service and tax) except the owner.

From a corner table at Brasserie Lipp, I witnessed careful Parisians as we indulged in Eating out / Nicholas Lander

The Paris bistro war

caviar d'aubergine (FFr62), boeuf à la mode (FFr125) and a dish of fontainebleau (FFr48), whipped cheese served with crème fraiche and a sprinkling of sugar. No Parisian at tables near us ordered a first

Franc-watching Parisians and tourists wary of le franc fort are the culinary challenge being addressed by an increas-ing number of chefs and restaurateurs in Paris bistrots modernes. They may not offer the atmosphere of the bistrot traditionnel but there is no disputing the value.

Perhaps the best value example is at L'Epi Dupin in the 6th arrondissement where chef/ proprietor Jacques Pasteau offers a four-course dinner menu including service at FFr153 and, at hmch, a main course, dessert or cheese and a glass of wine for FF197.

A wait for our table allowed me to appreciate the menu's value. It offered six first

MAGNUM FINE WINES PLC EN PRIMEURS 95 We specialise in the best wines at competitive prices. Control -Magazar Flore Wings Pic 43 Pall Man, London SWIY 516

courses, seven main dishes, one cheese - a Brie in excel-lent condition - and six desserts.

Expensive ingredients, such as foie gras and fresh tuna were used creatively, the for-mer in a salad, the latter as thin pan-fried slices on top of finely diced onions, olives and anchovies. Cheaper cuts are used as effectively. Venison, an expensive meat, was made to fit the price by being served as a succulent onglet, an inexpen-sive cut little served or appreciated outside France.

Pasteau adds extra intensity to his dishes by the use of spices, citrus fruits and herbs. One first course fused a roast, spiced apple with chestnuts on thinly sliced celeriac another combined pear, goats' cheese and thyme. Traditional boulangere potatoes were made excep-

tional by adding saffron. A CLARETS A INTAGE PORTS. WANTED ... IMMEDIAL

Red London NW3 2LM

gentle mixture of spices had the same effect in the butter sauce underneath three cigar-

shaped pieces of salmon cooked in filo pastry. My appreciation of Pasteau was enhanced by a line at the bottom of the mem: Pain pétri et

Tel: 0171 937 1629

Fax: 0171 361 0061

■ L'Epi Dupin, II Rue Dupin, 75006, (tel: 42 22 64 56). Offering similar value: L'Os Moelle, 8 Rue Vasco-de-Gama, 75015, (45 57 27 27); Philippe Detourbe, 8 Rue Nicolas-Charlet, 75015, (42 19 08 59); Baracane, 38 Rue des Tournelles, 75004, (42 71 43 33).

on 0171 396 9600

or fax 0171 396 9619

cuit maison - bread kneaded

bottle of invigorating 1990 Ban-dol (FFr190), FFr40 worth of

Badoit, and FFr150 in sales tax

and service, came to FF1872.

Our bill for four, including a

and baked on the premises.

BERRY BROS & RUDD ute wines En Primeur Do not buy 1995 Clarets any 1995 Available from En Primeur Wines May 1st 1996 until you have seen Contact Tom Cave **BUTE WINES** or Henry Bates

WILKINSON VINTNERS LTD

Exceptional Charity Wine Dinner WellBeing/Mouton Rothschild/Opus 1

The WeilBeling Cala Wine Dissur is on Monday 1st July 1996 at the Savrey Hotel. Bayoness Philippine de Rothschild will be attending and Patrick Leon. Technical Director, will also be present. These will be aptended visuages of Alle d'Angens, Couran d'Armellier, Couran Mondavilleisten Children Angens, Couran d'Armellier, Couran Mondavilleisten Children wine, Opus 1, with the great Chainst Course for capter took a Chainpagne Recaption before Disner. WeilBeling, the Health Research Chainy for Westen and Babier, forch viral medical transacts to houghtly and inversation all over Britain for the being health of westers and their traities. Telects are £200 per parage or £2,000 for a table of ten. Please book as individuals, complex, or table a table and externan eliqual

Marian Ma

INTERNATIONAL ARTS GUIDE

What's on in the principal cities

AMSTERDAM

AUCTION Sothebys Amsterdam Tel: 31-20-5502200

 Modern and Contemporary Art. highlight of this sale is Carel Willink's Trafalger Square". Also featured are two other paintings by Willink, a collection of works by Kees Verwey. and Karel Appel's large-scale painting "Paysage Humaine" (1959); 10.30am, 2pm & 7.30pm; Jun 4

CONCERT

Concertgebouw Tel: 31-20-5730573 Nederlands Philharmonisch Orkest: with conductor Marcello Viotti and pianist Eliane Rodrigues perform works by Ravel and Berlioz: 8.15pm: Jun 1, 2 (2.15pm) , 3, 5

EXHIBITION Museum het Rembrandthuis Tel: 31-20-6249486 The Old Testament in Dutch 18th

and 17th-Century Print Making. Rembrandt, his Predecessors and Pupils: religious scenes constitute an important part of Dutch 16th and 17th-century imagery. Especially dramatic events from the Old Testament, like The Fall, Abraham's Sacrifice, Susanna and the Elders, were popular subjects for artists. The exhibition shows the drama of the Old Testament through the eyes of artists such as Rembrandt, Golizius, Lucas van Leyden and Maarten van Heemskerk; to Jun 2

OPERA Het Muziekthester Tel:

31-20-5518117 Otello: by Verdi. Conducted by Riccardo Chailly and performed by De Nederlandse Opera and the Koninklijk Concertgebouworkest. Soloists include Vladimir Bogachov, Timothy Noble, Charlotte Margiono and Vicente Ombuena; 7.30pm; Jun 4 Koninklijk Theater Carré Tel: 31-20-6226177

 A King, Riding: by de Vries. Conducted by Reinbert de Leeuw and performed by the Schoenberg Ensemble and the Asko Ensemble. Soloists Include Derek Lee Ragin, Lise Saffer and Christopher Gillett. Part of the Holland Festival 1996; 8pm; Jun 2, 3, 4

BARCELONA EXHIBITION

Fundació la Caba Tel: 34-3-4588907 Photography and Society in Franco's Spain. The Sources of Memory III: exhibition of more than 200 photographs reflecting Spanish life from the end of the Civil War until the death of General Franco. The works come from archives of Spanish and foreign cultural institutions, private collections and various photographers' personal archives; to

BASEL ECHIEFTION

Kunstmuseum Basel Tel: 41-61-2710228 Canto d'Amore. Klassizistische Kunst 1914-1935; exhibition focusing on classicist modernism in music and visual arts. The display features more than 100 paintings, drawings and sculptures from international museum and private collections, as well as musical scores from the collection of the Paul Sacher Foundation. The show includes works by Picasso, Matiesa, De Chirico, Dall, Bonnard, Maillol and Léger, to Aug 11

BERGEN FESTIVAL

Bergen international Festival, Norway Tel: 47-55-312170 Bergen International Festival: this featival was founded in 1953 and has since then focused on presenting prominent Norwegian and international artists in the field of music, batlet, opera, theatre, folklore and other arts. Central festival theme is the music of Edvard Grieg; to Jun 2

BERLIN CONCERT

Deutsche Oper Berlin Tel: 49-30-3438401 Galina Gorchakova: accompanied by pianist Larissa Gergieva. The soprano performs sonos by Glinka. Dargomyzhsky, Balakirev. Rimsky-Korsakov, Tchaikovsky and Rachmaninov: 8pm: Jun 4 Konzerthaus Tel: 49-30-203090

 Orchester der Deutschen Oper Berlin; with conductor Maxim Shostakovich and cellist Mischa Maisky perform works by R. Schumann and Shostakovich; 8pm; Jun 5

Philharmonie & Kammermusiksaal Tel: 49-30-2614383 Berliner Philharmonisches Orchester: with conductor James Levine perform works by J.S. Bach, Takemitsu, Debussy and Mendelssohn; 8pm; Jun 5, 6, 7

E BONN OPERA

Oper der Stadt Bonn Tel: 49-228-7281 Hänsel und Gretel: by Humperdinck. Conducted by Shuia Okatsu and performed by the Oper der Stadt Bonn. Soloists include D. von Bronewski, I. Bartz, A. Hoffmann and R. Ingle: Spm; Jun 5

BOSTON EXHIBITION

Museum of Fine Arts Tel:

1-617-267-9300 Lithography's First Half Century:



Part of 'Girls Taking a Walk in La Gran Via, Madrid' by Català Roca, from a Barcelona vition of Photography and Society in Franco's Spain

Arts and Crafts Architecture:

coinciding with the V&A's major

tells the story of the development from the 1850s of an approach to

William Morris exhibition, this display

domestic architecture which matched

the arts and crafts ideals of William

Morris. The display includes work by

Philip Webb, Norman Shaw, W.E.

Nesfield, C.R. Ashbee and C.F.A.

● The Pre-Raphaelites and Early

brings together drawings and

British Photography: this exhibition

watercolours by the Pre-Raphaelite

photographers as Francis Bedford.

Lady Hawarden and Julia Margaret

Salome: by R. Straues Conducted by Andrew Litton and performed by

Hayward and Sally Burgess; 8pm; Jun

the English National Opera. Soloist Include Kristine Clesinski, Robert

The J. Paul Getty Museum Tel:

Cameron; from Jun 3 to Sep 29

London Collseum Tel: 44-171-8360111

m LOS ANGELES

EQUIBITION

Aug 25

MADRID

1-310-459-7611

and their followers, and work of such

Vovsey: to Sep 29

OPERA

The Age of Goya and Delacroix: In celebration of the 200th anniversary of the invention of lithography by Bavarian actor and playwright Aloys Senefelder, the exhibition examines ithographs by artists such as Delacroix and Goya. Works by lesser known artists and prominent artists not usually associated with the medium are also displayed; to Jul 7

M CANBERRA

EXHIBITION National Gallery of Australia Tel: 61-6-240-6411 Roy Lichtenstein: Printworks:

exhibition of printworks by the American Pop-artist Roy Lichtenstein. drawn from the museum's collection. Included in the exhibition is Lichtenstein's only illustrated book, "La nouvelle chute de l'Amérique [The new fall of Americal", which was acquired by the National Gallery of Australia late last year; to Jul 21

COLOGNE

CONCERT Kölner Philharmonia Tei: 49-221-2040820 Camerate Academica Satzburg: with conductor Sandor Vegh perform Schubert's Symphony No.5 in B major and Symphony No.8 in C major; 8pm; Jun 2

Opernhaus Tel: 49-221-2218240 Serse: by Handel. Conducted by Graeme Jenkins and performed by the Oper Köin. Soloists include Martinez, Lascarro and Peeters: 7pm;

IN FLORENCE

OPERA Teatro Comunale Tel: 39-55-211158 ● Lucia di Lammermoor: by Donizetti, Conducted by Zubin Mehta and performed by the Orchestra e Coro del Maggio Musicale Florentino. Soloista include Pierre Lefebvre. Marco Berti, Elizabeth Futral (Jun 3. Jun 3, 4, 5

M FRANKFURT AM MAIN

CONCERT Alte Oper Tel: 49-69-1340400 Blood on the Floor, by Mark-Anthony Turnage. Conducted by Peter Rundel and performed by the Ensemble Modern, Soloista Include electric guitariat John Scofield, drummer Peter Erskine and saxophonist Martin Robertson: 8pm: Jun 5 Johrhunderthalle Hoechst Tel;

49-69-3601240 Wagners RING an einem Abend: narrator Loriot (Vicco von Bülow), and soloists and orchestra of the Nationaltheater Mancheim with conductor Jun Märki in a programme featuring highlights of Wagner's opera cycle Der Ring des Nibelungen; 5pm; Jun 2

M HAMBURG

CONCERT Musikhalle Hamburg Tel: 49-40-346920 Murray Perahla: the planist performs works by Scarlatti, Handel, Mendelssohn, J.S. Bach and R. Schumann: 7.30pm; Jun 5

M HOUSTON

EXHIBITION Museum of Fine Arts Tel: 1-713-639-7300 Jackson Poliock: Works on Paper: exhibition of 34 drawings created between 1939 and 1956 by Jackson Pollock, one of the leaders of Abstract Expressionism. All of the works come from the Pollock estate. and the majority are sketchbook or working drawings that provide insight into Pollock's development in this

period. They were executed during

the time he was in Jungian analysis

dreams, insights, and visions; to Jun

and represent a visual diary of his

E LONDON

EXHIBITION Tate Gallery Tel: 44-171-8878000 Still But Not Silent: this exhibition brings together still life paintings and sculptures from the Tate Gallery's collection by both British and foreign artists. The works range in date from the late seventeenth century to the present, and reveal the persistent attraction for artists of this form of art: to Jul 14 Victoria & Albert Museum Tel: 44-171-9388500

Haus der Kunst Tel: 49-89-211270 Lovis Corinth 1858-1925; Retrospektive: retrospective exhibition devoted to Lovis Corinth, one of the leaders of German Impressionism. The display includes nearly 150 paintings, approximately 60 drawings and watercolours, as well as a selection of prints. After the showing in Munich the exhibition will travel to Berlin, Saint Louis and London; to Jul

Hatlonaltheater Tel: 49-89-21851920 La Bohème: by Puccini. Conducted by Mark Elder and performed by the Bayerische Staatsoper. Soloists include Angela Gheorghlu, Julie Kautmann, Mario Malagnini and Rodney Gilfry; 7.30pm;

M NEW YORK

AUCTION Sothebys Tel: 1-212-606-7000 Important Works of Art and lewelry from the Collection of Lillian Nassau, Ltd.: sale of items from the collection of Lilian Nassau, dealer and collector of Art Nouveau and Art Deco, The collection on sale features 50 pieces of Art Nouveau jewellery, rings, purses, hair combs and objects acquired by Mrs Nassau during the 1960s and 1970s in both the United States and France, including works by René Lalique, Louis Comfort Tiffany, Edouard Colonna, Georges Fouquet, Alphonse Mucha and Lucien Gallard; 10.15am; Jun 5

CONCERT Avery Fisher Hall Tel: 1-212-875-5030 Brooklyn Philharmonic: with conductor Dennis Russell Davies and the NY Choral Society perform Beethoven's Symphony No.9 and R. Schumann's Mass in C minor; 3pm;

EXHIBITION The Jowish Museum Tel: 1-212-423-3200

Marc Chagall 1907-1917; this exhibition of paintings, gouaches and drawings provides an overview of Marc Chagali's early career and the decade during which his aesthetic language and attitude were formed. The exhibition includes a selection of self-portraits, portraits of Chagall's family depicting life in Vitebsk and Lyozno, religious themes, and works produced after his return to Russia; to

covered by hundreds of identically

Centre Georges Pompidou Tel: 33-1-44 78 12 33

reconstruction of the exhibition

discley shows some 30 works.

Albrecht Dürer, Oeuvre cravé:

collection, which encompasses the

oeuvra. The display includes 122 woodcuts and 102 engravings; to Jul

Musique en Sorbonne Tel: 33-1 42

Fastival de Musique en Sorbonne:

armual classical music festival taking

Paris. This year the festival is devoted

Falla, on the occasion of his death 50

to the Spanish composer Manuel de

years ago; from Jun 4 to Jun 25

Accademia Nazionale di Santa

Cecilia: with conductor Michael

Orchestra dell'Accademia di Santa

Schoenwandt and the Coro di Voci

Kodály; 5.30pm; Jun 2, 3 (9pm) , 4

Museo Nazionale del Palazzo

Felicien Rops: retrospective

the mid-1870s and acquired a

reputation for satanism and

private collections; to Sep 1

exhibition devoted to the work of the

Belgian graphic artist Felicien Rops

(1833-1898), who settled in Paris in

decadence. The display features more

Verrezia Tel: 39-6-6798865

Bianche dell'Acrum perform works by Weber, R. Strauss, Bartók and

Ceciliu Tel: 39-6-3611064

place at the Sorbonne University in

near totality of Dürer's graphic

Festival de Musique França

exhibition of woodcuts and engravings by Albrecht Dürer (1471-1528) from the museum's

organized by Francis Picable, one of

the ploneers of Dada, in the Galerie

including counches and watercolours:

Musée du Petit Pelais Tel: 33-1 42

Deimau in Barcelone in 1922, The

different metals; to Jun 30

sized square plates made using six

OXFORD

EXHIBITION 19th-Century French Drawings: exhibition of twenty-five drawings by Museum of Modern Art Tel: 44-1865-722733 19th-century French mesters from the Carl Andre Sculptor 1996: the first museum's collection, with examples from Neo-Classicism through large retrospective exhibition of Andre's sculpture to be seen in. Britain for twenty years. Highlights of the exhibition include the reconstruction of the installiation Post-Impressionism, including works by Cézanne, Delagroix, Gericault, Ingres, Millet, Manet and Degas; to Equivalents (-VIII), created by Andre in 1966, and the eleven metre aquare plece called 6-Metal Fugue (for Mendeleev), the surface of which is

PARIS

EXHIBITION

65 12 73

FESTIVAL

62 71 71

ROME

CONCERT

(7.30pm)

EXHIBITION

EXHIBITION

CONCERT Fundación Juan March Tel: 34-1-4354240 Rafael Quero, José Antonio Campos and Alvaro P. Campos: the planist, violinist and cellist perform Beethoven's Trio in D minor and Allegretto in B flat major, 7.30pm; Jun

EXHIBITION Fundación Collección Thyssen-Bornemisza Tel: 34-1-4203944

 From Canaletto to Kandinsky: Master Pieces from the Carmen Thyssen-Bomemiaza Collection: this exhibition features a selection of about 90 works from the Baroness's private collection. The display includes works by artists such as Toulouse-Lautrec, Monet, Sisley, William Bradford, Meurice Prendergast, Manuel Cabral and Raimundo de Madrazo; to Sep 8 Palacio de Velázquez Tel: 34-1-573-62-45 Nuevas Abstracciones: this

exhibition of approximately 60 Daintings by 29 international artists focuses on new forms of abstraction in the post-modern period. The artists represented include Ross Bleckner, Peter Halley, Gerhard Richter, Sean Scully and Philip Teaffe. After the showing in Madrid, the exhibition will travel to Bielefeld and Barcelona; to Jun 23

MILAN

CONCERT Testro sils Scala di Milano Tel: 39-2-72003744 Murray Perahla: the plants performs works by Scarlatti, J.S. Bach, Handel, R. Schumann and Mendelssohn; 8pm; Jun 3

MOSCOW EXHIBITION

State Pushkin Museum Tel: 7-095-2036974

 The Treasure of Troy: exhibition of some 260 gold and silver objects, excavated by the German archeologist Heinrich Schliemann In Turkey in 1873. It was Schliemann's bellef that these objects, including diadems, rings, necklaces and goblets, once belonged to the Trojan king Priamos, but later research has proved this to be untrue. The finds vere brought from Berlin to Russia by the Red Army at the end of World War II; end dete not known yet

MUNICH CONCERT

Philharmonie im Gasteig Tel: 49-89-48098625 Münchner Philharmoniker: with conductor Sergiu Celibidache and pianist Dan Grigore perform works by Schubert. Beethoven and Mozart:

8pm; Jun 3, 4 **EXHIBITION**

works of the 1910s and includes geometric drawings he executed while he was teaching at the Bauhaus; to Jun 23

Mauritshula Tel: 31-70-3023456 Johannes Vermeer: the first presentation ever devoted solely to the art of the Dutch painter Johannes Vermeer (1632-1675) presents 21 of the existing 35 works known to have been painted by this master who lived and worked in Delft. Nine paintings have been restored for the exhibition, including View of Delft; to Jun 9

Suntory Hall Tel: 81-3-35751001 Tokyo Philharmonic Orchestra: with conductor Fabio Luisi perform excerpts from Madama Butterfly and other operas by Puccini. Soloists Include soprano Maria Guleghina, tenor Peter Dvorsky and baritone Sherrill Milnes. Part of the Puccini Festival; 7pm; Jun 3

CONCERT Konzerthaus Tel: 43-1-7121211 ORF-Symphonieorchester: with conductor Peter Eötvös perform works by Kurtág, Bartók and Brahma Schoenberg; 7.30pm; Jun 3 Musikverein Tel: 43-1-5058681 Emma Kirkby and Anthony Rooley: the soprano and lutenist perform works by Locke, Purcell, Humphrey and Blow; 7.30pm; Jun 3 Symphony No.8: by Bruckner. Performed by the Wiener Symphoniker with conductor Rafael

EXHIBITION Kunstforum der Bank Austria Tel: 43-1-5320844

Drawing in Austria 1908 to 1938.
From Schiele to Wotruba: exhibition of some 130 works on paper by 58 Austrian artists, Including Gustev Klimt, Egon Schiele, Oskar Kokoschka, Alfred Kubin, Max Oppenheimer, Herbert Boecki, Albert Paris Gütersioh, Max Weber and Fritz Wotrube; from Jun 5 to Aug 4

OPERA Wiener Staatsoper Tel; 43-1-514442960 Jérusalem: by Verdi. Conducted by Zubin Mehta and performed by the Wiener Staztsoper. Soloists include José Carreras, Eliane Coelho and Samuel Ramey; 6pm; Jun 2

National Gallery of Art Tel: 1-202-7374215 this exhibition of approximately forty-five paintings by Jan Steen work. There has been no major retrospective at the Mauritshuis in The Hague in 1959; to Aug 18 The Robert and Jane Meyerhoff some 190 works from this private collection of post-World War II art. The greatest strength of the Meyerhoff Collection iles in its John, Elisworth Kelly, Roy Lichtenstein, Robert Rauschenberg

1-202-357-1915 ● 1846: Portrait of the Nation: in ebration of the 150th anniversary of the founding of the Smithsonian Institution, this exhibition describes the political, cultural and social character of America in 1846 by focusing on the leading figures of the time, Rep. John Quincy Adams. author and protester Henry David Thoreau, reformer Dorothea Dix, Cherokee Chief John Ross, Mormon leader Brigham Young and others are depicted through paintings, sculpture, prints, silhouettes and daquerrectypes. Also included are political cartoons, manuscripts, clothing and periodicals; to Aug 18

E ZURICH

Opernhaus Zürich Tel: 41-1-268

 Orchester der Oper Zürich: with conductor Paul Sacher and violinist Mozart: 8pm: Jun 3 Tonhalle Tel: 41-1-2063434 Alicia de Larrocha: the pianist

performs works by Mendelssohn. Surinach and Albeniz, 7.30pm; Jun 3 EXHIBITION

than 300 works from public and

M SAN FRANCISCO SOMOMA - Museum of Modern Art Tel: 1-415-357-4000

and the artists remaining about the most prompt of the contraction of the contract of the cont

 Toward Abstraction: The Art of Paul Klee: from figurative works to landscape, this exhibition illustrates the artist's representation with abstract art. Presenting approximately 20 works and covering the years 1914 to 1940, this presentation begins with Klee's Cubist-inspired

THE HAGUE

EXHIBITION

TOKYO

CONCERT

W VIENNA

Frühbeck de Burgos; 7.30pm; Jun 4

WASHINGTON EXHIBITION

 Jan Steen: Painter and Storyteller: examines the range of subjects and styles in this Dutch artist's body of exhibition of Steen's work since the Collection: 1945 to 1995: exhibition of and Frank Stella; to Jul 21 **National Portrait Gatlery Tel:**

AUCTION Sothebys Zürich Tel: 41-1-2020011 Porcelain and Furniture: auction taking place in Hotel Baur au Lac in Zurich. Highlights of the porcelain section include a selection of 89 works from the collection of the Zurich collector Sali Guggenheim, The furniture section includes French. German and Swiss furniture: 1pm: Jun S

CONCERT

Anne Sophie Mutter perform works by

Kunsthaus Zürich Tel: 41-1-2516765

 Das Alte China: this loan exhibition from China features important archeological finds of the last decades from the neolithic (c. 4500 BC) to the Han dynasty (206 BC-AD 220). The emphasis of the exhibition is on religious beliefs, especially those concerned with the spirit world and the atterlife. The display includes some 200 objects. After the showing in Zurich, the exhibition will travel to the British Museum in London and the Louisiana Museum in Humleback, Denmark; to Jul 14 Listing compiled and supplied by ArtBase The International Arts Database, Amsterdam, The Netherlands, Copyright 1996, All

rights reserved. Tel: 31 20 664 6441

CHESS

ر مساور المساور - المساور المس

> Seville's Dos Hermanas tournament which ends tonight has nine of the world's top 10 grandmasters, with an average rating of 2,713 and lacking only Karpov, whose Fide title match against Kam-

sky starts next week. Whether Seville will reach the historic eminence of legendary past events such as St Petersburg 1914 or Avro 1938 remains to be seen. The oldstyle tournaments were double-rounders fielding several world champions, while Seville is briefer and its only world title holder is Kasparov.

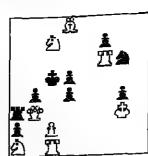
Not that Kasparov has found it easy: with two rounds left he was only fourth after this escape from a dubious opening (Anand v Kasparov, Sicilian Defence).

1 e4 c5 2 Nf3 d6 3 d4 cxd4 4 Nxd4 Nf6 5 Nc3 a6 6 Be3 e6 7 g4 h6 8 f4 e5 9 Nf5 Nc6 10 Qf3 g6 11 0-0-0! A knight offer for a pawn wedge which stymies Black's development. Interestingly 6 Be3 is the "English Attack" which Nigel Short avoided in the 1993 title match because he feared Kasparov's preparation.

gxf5 12 exf5 e4 13 Nxe4 Nxe4 14 Qxe4+ Qe7 15 Qd3 Bg7 16 Bd2? After 16 Bb6! 0-0 17 Qxd6 Qxd6 18 Rxd6 with three pawns for the knight Black cannot

develop his Q-side, and Res 19 Bc4 Bf8 fails to 20 Rg6+. 0-0 17 g5 hxg5 18 fxg5 Qe5 19 f6 Bf5 20 Qg3 Rfc8 21 Bc3 Nb4?! A flashy way to draw by perpetual check, but not best. Qxg3 22 hxg3 Bf8? allows White to mate on the h-file, but 22. Nb-! 23 fxg7 Nxa2+ 24 Kb1 Nxc3+ 25 bxc3 Kxg7 regains the lost pawns with the better ending. 22 Bxe5 Rxc2+ 23 Kb1 Re2+ 24 Kai Nc2+ 25 Kb1

Na3+ Drawn. No. 1,129



White mates in two moves, against any defence (by K. Hannemann). Black's king is move-bound, yet this problem caught out more than half the 1992 UK Solving Championship

Solution, Page II Leonard Barden

BRIDGE thus accumulating only eight

Even the supermarket is not safe for the bridge writer. I am assaulted all too often, and I tread the aisles in fear. My faceless assailants carry my trials on the backs of their shopping lists, lying in wait at the check-outs. This is what lay in store for me lest week.

4 A 10 5 9 8 5 4 ♣ R 10 3 ♦ Q 8 2 ♥ K 10 7 6 8 ♥ A Q 2 ♦ 10 9 7 4 2 ♣ 9 8 7 4 **† Q** 6 **‡** A J 2 ♠ KJ9762 ♥ J

♣ Q 6 5 West opened 1H and East raised to 2H. South overcalled 3S and North closed the auc-

tion with 4S. West led 6♥. East won with A♥, and switched to 4♦. Apparently, declarer had lost Jo to Qo; Qo by playing for a 2-2 split; and finally two clubs.

tricks. A count could have placed the key cards at trick one: North-South have 22pts: East-West 18pts, of which West should hold at least 12pts for his opening bid. The 64 lead reveals that West does not hold either WAK or WKQ, from which he would lead the top of a sequence. So, East is marked with VAQ - 6pts - and West should have all the rest.

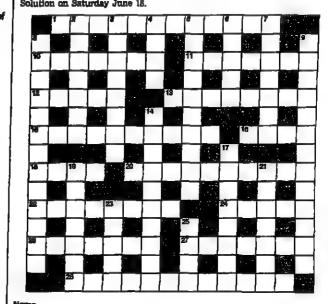
At trick two, declarer wins 4♦ with A♦. He finesses West for Qe, and continues drawing trumps. He then plays a club to Q4, which loses to A4. Winning whatever West plays, he leads 5% from his hand, finessing with 10% if West plays small. Finally, he plays a diamond back to K\u00e9 and Q\u00e9 falls. Instead of failing, he makes an overtrick. I expressed surprise at the

declarer's failure. "I am never surprised," sighed my inquisi-"when my husband plays the hand ...

Paul Mendelson

CROSSWORD

No. 9,083 Set by CINEPHILE A price of a classic Pelikan Souverin 800 fountain pet for the first correct solution opened and five runner-up prizes of 235 Pelikan vouchers. Solutions by Wednesday June 12, marked Crossword 9,083 on the envelope, to the Financial Times, Number One Southwark Bridge, London SE1 9HL. Solution on Saturday June 15.



ACROSS

I I do business and manage with care and the perfect Dartner (5.7) 10 Preserved, not draught (7)
11 Brother Julius is a little gross
about a cry of pain (7)

12 Lamb's prophet (5) 13 Geisha gets gin cocktail in rotation (4.4) 15 The Heavenly W. Opie's work in cinnamon (10)

16 Trendy accountant from South America (4) 18 Get on with the establishment of old (4) 20 it isn't established: it costs nothing to take companions round the old city (4,6) The final solution? (4-4) West to be declarer? Can't

26 Hurried back at speed to tell the tale (7) Stand by the fire and press (7) 28 Shepherdess makes it to the band returning among other

ROLLINGSTOCK
OCA:ATRN II
GLUBER HUBOWN
GLEKOLITATED
ESLIA AGITATED

ROLLINGSTOCK

hy (49)
A Welsh peer in difficulties replacing a flat (5,5)
Appeared exposed? (6,2)
Sedative taken by student in the course of Beethoven's pinth (2) minth (7) Back the sapper's line (7) Rough copy of conscripts. (%)
Costume that raises a boast (4) Solution 9,082

Solution 9,072 ASSETS FORENSIC
PH W P X N R
ROOK I E SUBPOEN A
O R L C SO E SO
P UTRIGHT ANORAK PUTRIGHT ANORAK
O TO THE SMAP PRISONSHIP
SMAP PRISONSHIP
O LOMASTERS GRAW
F C Y J H M MONTY
F T T J M C II W
OBEDIENT GODIYA MEEKNESS STRAND

.

DOWN

2 Removes the end from the nit-

ness (8)
4 Don't let anyone see the

5 Put a name to an author expert at character-drawing

(4-6) 6 Deck with saliors after a

party? (5)
7 Princess takes new tonic, in a

manner of speaking (7) 8 Preoccupation implying inhu-

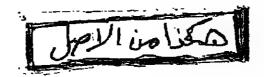
manity or (7.2.4) sheepskin coat at assem-

eather (4)

ty-gritty? (7)
Silver going missing - one article - causes innate dumb-

WINNERS 9,072: Mrs B.J Rowland, Broadstairs; Mrs R.G. Russell. Stonehaven, Kincardineshire; Alex Agius-Cesareo, Riyadh, Robert A.M. Leitch, Glasgow; John Hartshorn, Kinesdown, Wiltshire: K.M. George, Shirley, Croydon







James Morgan

Stolen handbag upstages the king

Is the IMF a force for republicanism? Bulgaria's ex-King Simeon could be forgiven for thinking so

expect you, like me, have been fascinated by the series on Europe's monarchies which has been appearing on this page. By definition, the non-monarchies are excluded but they could provide a worthy sequel.

So it is worth studying the return of ex-King Simeon last weekend for a lengthy visit to his homeland, Bulgaria. After reading about the Netherlands and Belgium, Sweden and Spain, one can only view European monarchies as a wholly positive force. It is right that Bulgaria should join some of the most civilised states in the new Europe.

But not all Bulgarians agree Duma, the leftish dally, trailed Simeon's arrival thus: "Three lost wars with about a million victims,

two national catastrophes, a coup Monetary Fund mission to Bul- an unusual event, especially when news bulletin. In Trud, a leftish drowned in blood and dozens of hundreds executed ... this is what Bulgaria got from the 60-year rule of a dynasty in whose veins there was not one drop of Bulgarian

As luck would have it, Simeon and his Spanish consort, Margarita, arrived in Sofia in the middle of an economic maelstrom. A collapsed currency, the main interest rate at 108 per cent, long queues outside **balteries**

The papers greeted the royal arrivals with headlines like "A circus without bread". And so the media were dominated not by Simeon, but by Anne McGuirk who arrived a couple of weeks before Simeon to lead the International garia. The official news management was such that every time it seemed that Simeon was going to attract favourable public attention, up popped McGuirk. Thus her mise of loans "in principle" was Monday's main news story when it should have been Simeon's tour of

Is the IMF a force for republicanism? One wonders. The announcement of the details of the royal visit on May 13 was not as interesting as the tale of the theft of McGuirk's handbag at a lunch with officials of the central bank at what the papers called "the posh Krim restaurant". The police said a

The theft of an IMF handbag is

it occurs right under the noses of central bank staff. McGuirk lost about \$700. Not enough to stave off Bulgaria's crisis but Demokratsina wrote: "Senior financiers hope the incident will not change Ma McGuirk's intentions." In the end the country was provisionally

Simeon, meanwhile, had to make speeches about the crisis without seeming to act as an agent of the Fund or in opposition to it. So he spoke of the need for all Bulgarians to pull together.

Demokratsiya said that officials had been told to create "an information blackout and chaos". Thus the ex-King's arrival provided only the 10th item in the national radio

paper, a leader of the anti-monarchist socialist party allowed croco-dile tears to flood the page: "Hundreds of those who came to welcome the ex-king injured, the bleeding faces of two of our reporters, smashed glasses in the VIP lounge, a child hit by a jeep in front of the Pliska hotel – these are

come party yesterday."

The authorities even mounted a campaign to produce a new national coat of arms, without a crown, by the time the ex-king

the sad results of the King's wel-

Blagovest Sendov, the speaker of the National Assembly, summed up the failure of the project "I have said on many occasions that Bulgaria will soon have a coat of arms, and I was wrong."

Simeon and his consort seem to have behaved with dignity in the face of some provocation (as when his official bodyguard beat up a supporter), even accepting an icon of St George the Victorious and a blouse embroidered in the national colours with good grace.

But the royal cause has not so far been greatly enhanced by the visit. Although many Bulgarians see the ex-king as a saviour, comparing him favourably with the politicians who have brought the country so low, the Fund sat on the throne.

It will be interesting to see if he fares better now it has departed. ■ James Morgan is BBC World Service economics correspondent

Just a job – but like no other

Christian Tyler explains why Norwegians love their king

wo weeks ago, as every year on National Day, half of Norway was on the march. With brass bands blaring and schoolchildren in folk costume skipping beside them, thousands of people paraded up Oslo's central avenue to the Slottet palace to sing the national anthem and wave to the royal family on the balcony.

Norwegians seem as possessively fond of King Harald V, as they were of his father Olav, the man who used to boast that he was protected by "four million security guards".

Yet, as in the other European monarchies, the royal succession can be a trying time. "Many people thought there would be a change of attitude," said one of Harald's former private secretaries who was surprised by the enthusiasm which greeted Harald's accession in Januarv 1991. "There was a tremendous response. The monarchy proved much stronger than you would expect in a secular, republican

Harald, 59, is only the third king Norway has been able to call its own since 1319. Perhaps for this reason the country clings to its mon-arch as the symbol of full independence achieved only in 1905 when it forced the dissolution of the union with Sweden. He is a reminder, too, of his grandfather's brave - if hopeess - resistance to German occupation during the second world war. King Haakon VII had rallied an unprepared and defeatist government before being forced to escape with his son. Olay, and his minis ters to London, where he continued broadcasts over the BBC. Young Harald, his mother and two sisters. took ship to the US and sheltered in

"The institution is a paradox and an anachronism," agreed Kjell Arne Totland, former academic, student of insignia and "royal reporter" of the gossip magazine, See and Hear. "But it still has a function. I look on it as a symbol of the unity of the nation, its personification. Heredity represents a continuity that a presi-

dent could never have."

By their own admission, Norwegians - especially outside Oslo - are a conservative nation, while claiming to be more classless even than their Swedish neighbours. Smallcountry nationalism may account for their enthusiasm for the Eurovision song contest which they hosted last month having won the trophy last year; it may also explain their sensitivity to foreign opinion. not to mention their referendum decision in 1994 to stay out of the European Union.

the fact that the Norwegian king remains, like the British queen. "defender of the faith", in his case



King Herald V; only the third king Norway has been able to call its own

why until 1990 women were not eligible to succeed to the throne. The monarch has been allowed to retain powers to delay legislation form governments. The latter has been democratically exercised. When the socialists, who two years before had been members of the Comintern, emerged from the 1928 general election with the biggest vote, Haakon surprised everyone by asking their leader to form a government. "I am also king of the communists," he is supposed to have said.

Communists or commoners, It does not matter. The fact that Harald's queen, Sonja, (confusingly born Haraldsen) is not of blue blood but the daughter of a textile merchant has been a good influence by helping the king to mix with ordi-

nary people, according to Fridtjof Frank Gundersen, an MP of the small, right-wing Progress party. Harald has impressed others with his everyday knowledge. "When I first met him I was amazed by his knowledge of agriculture," said Edvard Grimstad, deputy speaker of the Norwegian parliament and a farmer himself. "What impresses me is their personal involvement. Other people say the same."

The king shows his common touch in other ways. Recently, for example, he invited to the palace a member of a quaint organisation called the Loser's Club which cares for people who have missed their education or fallen through the social net. The club was started by a successful sports reporter who lost his job for giving the wrong result of a football match because

he falt sorry for the losing team. The royal train is little more than one coach and a kitchenetts, and was a "gift" of the state railways; the royal yacht, which is substantial, was a gift of the people. The royal family flies on commercial airlines and the children, Crown Prince Haakon, 22, and his elder sister Princess Martha Louise, 24, are able to go shopping in Oslo with only a couple of bodyguards.

Republicans have made threatening noises in the past but are silent today as in every other European monarchy. Deputy Speaker Grim-stad said: "Every four years the socialists propose a republic. But

The upshot is that an inquisitive press is careful not to intrude unduly - so far, at least. "The main reason we are not nasty to our roy-

als is that there is nothing to be nasty about," said Totland. Even if there were something to hide. Norwegians did not want to hear ill of em, according to a reporter on another paper: "People here don't tell the papers if they see members of the family, or try to sell pictures

of them. And we don't want to hide

in the bushes, either." So Haakon was allowed to go off for weekends with his former girlfriend, an "upper-class" model, without being chased. And his sister's affairs, with an Olympic surfboarder, with an English showlum-per (which led to Märtha Louise being cited in a divorce case) and latterly with a Dutch night porter and stable boy, caused little stir. What did cause a stir, was when

ride with a friend and without an escort, and was snapped by a Dutch photographer. Furious, she gave him the finger. But it was more the photographer's intrusion than the princess's rude gesture which scandalised Norwegian readers when the picture was reproduced in See and Hear. Britain's Princess Royal, would have sympathised.

Like royal-watchers in other con-stitutional monarchies, the Norwe-sian press argues that the fact of hereditary succession justifies its interest. And, like their own counterparts elsewhere, the young Norian royals seem to be feeling the heat. Last week, at the end of a press conference to announce the royal children's plans to study abroad, Prince Haakon made an ad hoc speech berating the press for its surveillance. What one side sees as well-intentioned interest - and posi-tive publicity - the other feels to be focating burden.

"If the Press make their life unbearable, sooner or later they will destroy any relationships formed by the young people in the family," said Carl-Erik Grimstad, a furner relace official Formatical their contracts of the contract of the c former palace official. He noted that journalists had held their fire during Harald and Sonja's courtship before their marriage in 1968. But the truce was now over, he said, and the media had become too com-

petitive to accept another.
Grimstad has not escaped the charge of intrusion himself. In some eyes he broke a taboo by writing s book drawing on his own experience as Sonja's private secretary and later as deputy private secre-tary to the king. Called Behind the Facade and subtitled "The history of the royal way of being", Grim-stad claims his book is a work of political science, not a fly-on-the-

wali exposé. His prognosis for European kings and queens is that they will have to earn their keep by means of what Max Weber called "charisma and

In early days they enjoyed more less absolute power. In the first half of the present century they were symbolic military leaders. In the second half they have become figureheads for industry - export

"In the next millennium the royal product will have to be cultural a spiritual force, the guide to moral values which the churches are not any longer. That is what people are

nostalgic for."
But will the heirs want to take it on? Last weekend it was reported in Britain that young Prince William, son of Charles and Diana, had told his parents he never wants to be king. He wants "a normal life". If Grimstad is right, all European

heirs have their work cut out. For whatever the "royal product" means, their dilemma is the same. They have to be in touch with their people, but not too close. They have to be distant, but not aloof. They may be ordinary, but they can never lead a normal life. It is not that kind of job.

Märtha Louise, while studying in This is the last of the Royalty series the Netherlands, went for a bicycle ALIAN'S A KEEN GARDENER, HE'S BEEN WATCHING OVER YOU'VE BEEN AWAY.

Peter Aspden

How to make 'em



wicked sense of irony is directing things up there. England is hosting something called Euro 96 at the very time that decent patriots everywhere are foaming with indignation that

Europe will not eat our beef. The BBC, in conciliatory mood, chooses Beethoven's sublime "Ode to Joy" - a hymn of European brotherhood - to advertise its coverage of the football festivities. But the tabloid press turns on the BBC because Beethoven is German. And Germany just happens to be better than England at football as well as

The nation, in truculent mood and girding its loins for battle, chooses its greatest ever sports star in a television poll. Among the contenders are a cricketer known, spookily, as Beefy, and a flabby 50year-old who was so steeped in sporting genius that he had to turn to that great British hobby - becoming comatose through drink - in order to cope with his sybaritic life. They both lose to a strapping decathlete who liked to celebrate victory by parading offensive T-shirts to the media.

Meanwhile, cows graze innocently in the fields, bedecked with advertising billboards, in the kind of audacious mid-career change that busy executives dream about long

The robust interchanges that

They can run rings around our footballers, but can they resist the chance to see their own masterpieces?

have given way to a mild surreal-ism as bull semen, murderous Land Rover drivers and formula baby milk swap places on the front pages. And what of Europe and its morally fisceld inhabitants? are they up to?

They are all in London, of course. I popped into the National Gallery at the weekend to get away from all the madness, only to find it swarming uncomfortably with Europeans. A lugubrious fellow in uniform was counting them all in. He informed me neutrally that the gallery sectived up to 10,000 visitors a day and most of them were "foreign"

him, they all entered for free. So, allowing for even a modest entrance fes, perhaps £50,000 a day is lost to the Exchequer so that Europeans and others can have a slightly cheaper holiday looking at our art (which, of course, is largely their art, but Britain has it now and is

superb at looking after it).
You do not have to be bovine to find it exasperating.

So I worked out a plan which might just win John Major a vote or two, pay for a new lick of paint for those outre-Manche rogues where to go shortly before they walk away with the competition which England is so generously hosting. It is quite simple: during the course of Euro 96, institute a sliding

scale of charges for admission to the National Gallery. British people, naturally, could get in for nothing. Then, taking the rest of the world in turn, highest charges of all would be paid by Pacific Rimmers (an economic miracle supplement), then Americans (dominant world culture eans. And this is where it becomes

I would charge all EU citizens a sum proportional to the number of works of art their country has in the gallery - the more works, the higher the fee. This would hit the Italians quite hard, but they have a good chance of winning Euro 96 so would probably not mind. The French would suffer too, and

the Spanish, but since when did we Danes and the Irish would not complain too much. But Denmark have few chances of progressing to the final, and Ireland didn't even qual-

The delicious point of all this is to hit Europeans where it hurts their culture. They can turn down our beef, run rings around our footballers, but can they resist the chance to see their own masterpieces? Trapped by their own vanity and sense of aesthetic superiority. What could be more apt?

And I also have a word for the BBC and that troublesome theme tune. How about something wholly British, coming from that dizzy period in the 1960s when we really were rather special? It must take us back, yet propel us forward. It has to give out the right message. It needs to sum up everything we feel about ourselves. How about that nice Beatles tune - "Help!"?

Fruitless in Los Angeles Christopher Parkes experiences life as an expatriate gardener

he critters, our neighbour warned, would soon polish off our little vegetable patch. She failed only to pepper plants - purple, green, yellow, orange and red - failed to survive the night. Bitter Japanese cucumbers succumbed, traceless, to the ravages of nocturnal raiders. Radishes vanished.

Curiously, only our indian corn and a sluggardly cluster of serrano chillies - 15 on a scale of one to 10 in hotness - stand as a testament to our husbandry.

It is one of our itinerant family's traditions that we stamp our identity on our foreign lodgings with garden work. It is a tradition which may not survive southern California, where the phrase "late bloomers" has taken on a new

This expairiate's annuals, planted a month ago, include ex-

petunias and sunburnt snapdragons. Even the geraniums are giving up the ghost. Only the impatiens and the children's neglected potted lobelias are doing well in a childmade microclimate which swings wildly between drought and dousings from the garden hose

Our failing, it appears, is a lack of "Gardener's Ear". Sure, we should have listened to our neighbour. But we should also have heeded the endless scuttling, scrabblings, squeaking and merry munchings from the undergrowth. We might have learnt from the splashings on the two occasions the raccoons depopulated the goldfish tub.

The fish were our attempt to provide quarantine-free pets for the children. They now have to make do with the critters.

The snail in the kitchen and the cicadas which have moved in behind the living room sofa are the

We have rats in the garden: big, black items with Disneyesque ears, and Hammer Films tails. We have gophers. God alone knows what they eat, but it must be buried deep to judge by the showers of grit and dust. Gopher snakes swish about, falling to live up to their name,

apparently preferring mice.

At the cuddly end of the pest scale there are cottontail rabbits which sniff at our gifts of lettuce and prefer grazing on the ubiquitous groundcover ivy.

Possums, we think, spend balmy

evenings up the eucalyptus and ficus trees peeling off the bark like crackling and snacking on the bugs beneath. They also enjoy snuffling around in the house.

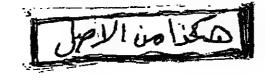
Squirrels commute along the overhead telephone and power cables to feast on fir cones and the seeds and blossoms of the jacaranda trees. Humming birds probe fruitlessly at the red rose on our daddy knows better.

watering can. Blue jays raid the bird table. Picky quail process through in troupes. Deer eat the floribundas.

There is more than enough of everything to go round. Sun and sprinkler systems foster an evergreen environment in which our critters dine off a menu of astounding abundance.
Now, in California's early sum-

mer, we look over the wreckage of our backyard Europeanisation programme, and it comes as a comfort to realise that our furry neighbours have done us a favour. There are no fussy dots of colour to distract eyes drawn by swathes of crimson bougainvillaea, oleanders in pink and vhite, coral trees and jacarandas of heavenly blue.

Our corn and chillies should be fruiting soon. The children still believe they will be grilling cobs and making salsa for daddy. But



WEEKEND INVESTOR

Results du	e ne	ct wee	k		
Company	Sector	Attrictment	Last year		This year
PALL DIVIDENDS		_	interim)	Final	inderett.
3 Group	laTr	Thursday	2.80	4.40	3.18
Approving Familiare Group	HeeG	Thursday	1.70	3.70	1.70
Arreference Internetional	Chem Hitts	Tuesday	0.55	2.05	0.58
Ascot Hidgs	BP&R	Thursday Tuesday	4.90	12.10	4.90
Admit Group	SpSv	Monday	1.00	2.10	1.00
Books	ReGn	Thursday	5.35	11.55	5.70
Capitol Group Cadardeta	SpSv SpSv	Tuesday	1.20	2,40	7.30
Chulch Security	SpSv	Thursday Thursday	1.05 2.32	2.20 5.00	1.21
Cleveland Tst	Prop	Monday	2.40	3.30	2.60 2.45
Cather (A) & Co.	Eng	Friday		7.50	t.m
Cullen's 19dgs Opperport Krithmer	ReFd Text	Thursday	-	0.50¥	•
De La Rus	PP&P	Thursday Tuesday	7.00	9.90# 18.00	7.25
panada Enterprise	Mir	Friday .	-	-	1.43
EMP	Med	Tuesday	2.50	7.25	3,70
Beropage Colour Falcount by Tist	Chem leTr	Thursday	0.575	1.17	0.775
Cartmore Shared Equity Tet	iniir	Tuesday Tuesday	2.40	2.60	2.40
Hambro Insurance Services	OtFn	MOTOL Y	1.95	170	1.35
independent Perts Group Metonet Grid Group	EngY	Monday		2.20 .	200 .
Maribaat brossars Co	Elec InTr	Tuesday Wednesday	1.50	4	2.00
Morthern Ireland Elec	Bec	Unradan .	3.90	4.50 . 9.50	E00
Off International	Eng	Wednesday	0.75	1.00	0.75
Denni & Robinson Oxford Instruments	RøGa E&EE	Tuestiay Thursday	1.70	4.00	-
Park Food Group		Friday	1.00	1.88	1.90 1.70
Plangton	Bdilla	Tremadey	1.50	2.78	1.76
Porter Checiburn	PP&P	Thursday -Thursday	8.00	17,00	-
Powerscreen International	Eng	Wednesday	220	536	8.80 . 2.50
FIT Capital Partners	Mir .	Tuesday	-	1.58#	
Recal Electronics Robert Wiseman	RIP	Wadnesday Tuesday	1.75 0.90 1	3.25 -1.89	2.10
Spanies & McEwan Group	SpSv	Wednesday	1.10	2.20	1.00
-308	Eng	Thursday	4.03	8.07	4.44
South Staffs Weiter Staffs Place Coulded	Witr OtFo	Monday Tuesday	19.00	49.00 1.50	23.00 1.55
ŢLG	68-EE	Tuesday	1.30	2.60	1.40
Themes Water : ::	War _	Turning	8.20	17.10	3.20
UNICO Vindadorie Group	Eng	Transday	1.00	1.75	1.25
Waintomes	Tolo S&C	Tuesday Marking	1.50	1.70 3.00	1.97 1.50
Missectog.	Dela	Monday	-1,50	2.75	1.75
Yorkshire Water	With	Wednesday	8.30	10.70	9.16
INTERRIM DAVIDADINOS Applio Metals	Sec.	Tucadev	1 20	2.80	
Cabina Sroup	Eng Eng	Tuesday	1.30 .	5.25	-
Denby Group	Haco	Thursday	1.10	2.30	-
Burocopy	EAFE	Tuesday		.1.55	-
Everards Browery Paisbairn European Smile	BPER InTi	Wednesday Wednesday	0.80	7 .	5 x x =
Greencore Group #	RSPr	Thursday	0.041	9.077	-
10 % S=30 198(a)	ling .	Thursday	2.9	4.10	*
Leeds Group	Text	Theseley	2.20	4.40	
Lookers	. Djet . Prop	Thursday Thesday	2.50 5.25	5.49 14.75	-
How Zooland Inv Tot	Mile	Westweedey	1.25	2.25	şa 🗀
SEP Industrial Hidge	Dist	Tuesday	0.80	1.00	-
Sheriif Hidge Steke	IAH	Tuesday	2.25	4.76 1.00	-
United Drug \$	Lean Likh	Wednesday.	0.8256	0.006	
Victres	Chan	Monday	-	-	

4 P. C.	10.00	Tear	:e №	5-100	4.840	digs"	Dhyk	
Company	Saoto	r to	DECE	(2009)	-	(0.7 b)	per a	
Anglian Water		Mar		(216,100)				(28.8)
Barlo Group #	Debi .	Mar	2,400 L	(A,540)	. · · ·	B21)	- 15	(14 P
Batteryare 95 Jacos Lataina	Tieffe.	Mar	9,290	(018,1)	5.8	(-)	5.2	(2.B)
acid Laterina	, Regal	100	2,510	(100)	6.54	[1.82]·	2.5	(2.24)
Torinycia	Part	Mark	1,800	(000) (7,500)	1.8	U.D	13	(1.3)
Metal Brewing Post	No.	Mar.	1935	(7,500)	, 16.91	(19,03)	14.0	(1276)
Stillet	10.0	Mary	270.8	(225.0)	8.45	(5.05)	5.5	(F.2)
Cortes Group	Prop.	One :	4,000 1	(1,290)		(1.2)	-	9.5
Castines	2		9,438	(7,530)	15.01	(12.38)	4,31	3.378
Chambook & YM	BH.		1,730	(1,530)	· 15.6	(14.14)	13	7.0
Chila Pintania 🛡	/44	Dec	1190 L	(BON L) -				н.
David Ginta	Alle		574	(121)	7.37	(1.69)	2.0	(+)
District Maratteria	Text.	· Mari	3,906	(1,700)	1,3	$H_{\rm e}$, ϕ	3.0	8.8
Neben France	PPLP	.lan	6.000	RUS (B)	52.63	65.571	10.0 #	(1.75)
Inglish, Stational	槭	. Mari	38.1	CH.477	1.0	(1.6)	-5.78	(17.3)
	ANI	Dec	12,800	(15,700)	282.3	(298.32)	36.0 ±	(34.0)
codia International	Rica.		34.200	(15,200)	5.76	(4.02)	1.1	na.
ALC PACTIVITY	MTr	Mari	30.37	(65.31)	5.46	(2,00)	5,3	(AM)
Allet Marcel	West 1	Mor	12,300	GF216)	- 58.7	(37.2)	17.76	(7.2)
Horisa		Apri	717.2	672.2	13.04	(11,06)	9.7	(7.4)
West Commence	PPL.		8,909	fl,480)	0.6	9.0	7.35 38.3	(7.0)
Studies Sector	Sec.	Mar	025,100	(202,100)				
ingles (reported)	Pres	Mari	2.370	(5,650)	1.22	(3.33)	1.1	(1.0)
Screets West Witter	100	Mar	100,100	(63,200)	77.7	(43.7)	28.7	(18.2)
Tantada	30	· Mari	1.110	(322)	0.23	0.12	. 11720	(1)
Tandadi	21	Jama	2.190 L	917	n.*	(1911)		0.0)
Total	100	Mar	2,100	(1,000)	5.86	1-1		0
United Utilities	Wit	Mar	2,100 272,690	(284,000)	51.7	(89.2)	23.39	(17.2)
Missing Invest.	- Prim -	the	7.710	(BLG00)	12.84	(11.57)		CLO)

the second of the second					
E Last week's	nterb	n red	uite		1.5
	160	Pro	- DEX	district .	dividends*
Company Sector			(£000)		mite (p)
ABI Leisure Dist	Feb	1,820	(1,810)	1.42	(1.42)
Absous Poler Dist	Mar	4,490	(3,090)	. 1.8	(1.6)
Alidera Relia	Mar	8,000	(15,500)	2.4	(2.4)
Bet Gris Bac	Feb.	1,730	(3.010)	1.75	(1.79)
Cartion Comms Med	Mar	140,300	(120,100)		(3.72)
Cruden Berr 4 Intir	Aurt ·	55,12	(53.18)	1.5	(-)
Dawson Hides	Mex	14,500	(12,740)		(10.01)
Quantin Workheide Init	Aget	1,018.4	(834.7)	2.4	24
Edinburgh New Tiger Int'r	Au t	35.2	CHILE		(-)
F&C Pap Intt	Mari	137.7	(120.4)		(1.5)
Fenchusch	Mer	2,380	(3,630)	2.75	(2.75)
Postery Grounds InT	Mach	154.4	(123.1)	1,1	ti ca
Fleming Indian lattr	Mart	59.4	(69.4)		(-)
SET Group	' Feb	. 632	(1,430)	0,5	
Great Western Res @ _ Offic	Mint	134	(3,729 4)	-	(-)
Buildess Flight Inth	. April. "	106.6	-(+)		(-)
Hawtin Dyte	Mer	2,000	(1,690)		(0.4)
Kleiswort Burb Priv	Mart	107.9	(88.2)		19
466 Falling	Mar		(26,500)		(14.D)
MSG Income & Property Chapter .	ART		(69.16)	1.05	
McLeod Russel . Owin	Mark	3,720	(2,860)		(2.75)
Northern Ventures Till	No.		(95.0)		
PWS Hidgs Insc	Mer	500		0.3	(0.25)
Paracrass	Mar	5,720	(4,996)	-	(1)
Rodime d	Mer	5,080	(1 9 90 L)		H
Scottles	fort	324.0	(281,4)		U 85
Smart (J) - Prop	Jan	1,320	(1,210)		(2.4)
Sperett (C.A)	Acr	34	(53)		1)
Villers Group Eng	and .	414	(482)		(-)
Warner Estitles Prop	Mer	4.860	(3,900)		(3.95)
Worthempton & Dudley BP&R	Mar	18.200	4-9	6.0	(5.4)

(Figures in parentheses are for the corresponding period.) "Dividends are shown net period per share, except where otherwise indicated, L=loss. † Not asset value per share. I trish punts and period. § 4-month figures. \$ US dollars and cents. \$ At October 31. I shall punts and period. October 31. October 31. So week figures. \$ Comparatives for \$ months. \$ Includes By special. So 8-month figures. \$ Includes FID element of 69p. It Foreign income dividend. \$\frac{1}{2}\$ 33 weeks.

Bids

Who said water and electricity don't mix? Investors in Britain's electricity and water sectors found them once again the battle ground for predators this week, writes Simon Holberton. Scottish Power, the vertically integrated generator and supplier of electricity to southern Scotland, made an offer for Southern Water, the south-east of England water company, which valued it initially at £1.56bn.

Scottish Power was keen to stress that it valued the expertime, and indeed it has.

tise of senior executives. Moreover, it wanted board agree-

It didn't get that. On Wednesday, the Scots' bid was topped by Southern Electric. the largest of the 12 recs in England and Wales and Southern Water's next door neighbour. And Southern Electric's £1.6bn bld did win the immediate support of the water company's board.

Scottish Power did not raise its offer. It says it has plenty of Directors' share transactions in their

Сопчыну	Sector	Shares	Value 2'000	. No of director
SALES Macallen-Glanting	Alc	200.000	340,000	1
Headlern Group	Dist	50.842	139,816	1
TT Group	Divi	90,000	315,800	
Druck Hidos	BILE	253,286	15.855	
	"		-	
Pressac	ERE	ms.000	45,000	! -
Hinden MacLellan	Eng	30,000	28,500	1
L. Gardner.	Bea	74,000	118,400	
Severfield	Eng	30,000	68,100	1 .
Weir Group	Direct .	12,000	29,760	1
Chryselis	LEH	5,000	24,350	1
Milwell Holdings	CMI	2,500,000	62,500	2
Schroders.	MBnk	5.124	83,083	
RM	Niss	570,000	2,707,500	3.
Enterprise Oil		7,144	33,076	. 2_
Intermediate Cott Gr	OMF	375,000	1,260,250	3
Fired Earth Tiles	RetG	20,000	20,000	2
	ReiG	32.560	245,826	1
Mooreney	3Ser	5,000	11,800	1 1
Dewhirst Group	TAA .		\$.327.500	1 1000
Clydepart	Tren	500,000	845,000	1 To 1
Southern Venter	Uncl	227.273	150,000	
Laina (John)	BCon	20,000	60,500	1.17 () - 40
Pressac	PAE.	78,007	128,068	9.
Haden MacLellen	Eng	57.293	56,147	- i
Enterprise OII	ONE .	19.616	- manual	30 -
Body Shoo ing	RetG	266,115	479.007	T*
Marie & Romon	ReiG	40,000	180,000	1"
Cests & Western	Tels	184.584	\$45,385	10
Forth Ports	Train	89,060	435,078	1°
Kurik-Fit Hidde	Dist	1,158,780	2,807,255	10
PURCHASES		1,100,100	4007,000	•
Inchaspe	Diet	5,000	. 14,800	, 1,
ASTEC (BSF)	ERE	25,000	\$4,250	.1
TI Group	Ber.	7,400	39,984	1
Trinity Care	Militi	a,500	15.400	1
Guerdien Royal Bioth	iner .	4,000	10,000	_ 1
Emeraina Mrkts Coun	TWE.	46,795	24,301	. 1
INVESTOR E INS	In/T	.8.200	11.000	1
Games Workshop	LAHL .	15,000	86,150	.1.
Queensborovah Hidas	LAHI	2,072,785	921,836	1
Regal Hotel Grp	LAH	26,000	28,486	1 +95
Recei Hotel Gro	LAH	80,686	50,000	256
Tale Cine Cell	Hide .	40,000	22,400	2
Ferguson Int	ppp	1,275	2,396	1
Burton Group	PolG .	30,000	45,400	3
Celrd Group	Silver .	5,000	11,650	1
Delphi Group	Ster.	2,500	12,125	2 1 1
Biliveonarms		40,000	30,000	. :
क्रमच्येचान , .			-	

Directors' dealings

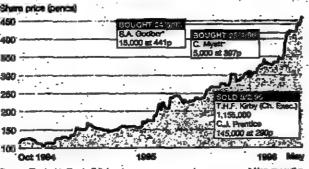
Games Workshop Group, which makes toys and war games, writes Vivien MacDonald of The Inside Track. Nonexecutive director Stephen Godber purchased 15,000 shares at 441p. Another non-executive director. Christopher Myatt, bought 5,000 in April.

Denis Cassidy, chairman of printing, paper & packaging

There was more buying at company Ferguson Interna-Games Workshop Group, tional, bought 20,000 shares at 235p. Recently, it reported a £1.1m loss for 1995-96.

☐ Julian Paul and James Rowsell, respectively non-executive chairman and a non-executive director of media group Tele-Cine Cell, bought 40,000 shares between them at 56p. The group has not performed well on the market lately.

Games Workshop Group



New issues

■ Offers for sale, placings & introductio

Betheven Brewery is to raise \$18x via a placing.
City Technology Hidge will be valued at about \$30m via a placing.
Independent Energy Hidge is to raise \$3m via a placing of 3m shares at 100p.
Vocatie is to raise \$5m via a placing.
Zoleto Minteg is to raise about \$40m via the Alternative Investment Market.

Dairy Crest this week unveiled plans to float a 25 per cent likely to value the UK's thirdlargest milk processor at around £200m, writes Christo-

The 27,000 dairy farmers who own the company will be allocated the remaining equity or offered a cash alternative. The float is likely to take the form of a placing with institutional investors.

The aunouncement came as the company amounced a 69 per cent rise in pre-tax profits, to £87.4m, in the year to March 31. Part of the proceeds of the float will be used to pay back a rolling fund, worth £66m, which farmers had paid to the Milk Marketing Board in the form of levies. The fund was used to provide working capital and has to be reim-

bursed by next March. □ European Telecom this week placed 31 per cent of its year, directors are forecasting shares with institutional investors, valuing the cellular telecommunications distribu-

tor at £35.8m. The placing, at 115p, raised £6.5m and was than three times subscribed.

Proceeds will be used to reduce gearing and bolster working capital. Pre-tax profits rose from £6,000 in the first year of trading to £670,000 in 1994-95. in the year to March 31 1996, they trebled to £2.44m. Turnover has grown from £170,000 to £7800.

City Technology Holdings, a leader in the design and manufacture of gas sensor and measuring equipment, has amounced plans for a placing with institutional investors expected to value it in excess

The Portimouth-based company reported operating profits of £5.8m, on turnover of £14.4m, in the year to June 30 1995 compared with profits of £4.8m on sales of £13.5m a year earlier. For the present operating profits of not less than £6.2m. Cazenove is sponsor to the float.

4.4.4.4.4

Current takeover bids and mergers

BET I	28455	235%	184%	2.22bn	Restold
CentreGold 1	42	41	. 37	18.47	Edec
Everest I	110",	108	75	27.95	McCuln Foods
Sertmore, I	225 ×	250 .	265	340.0	Mak West Bank
Do.II	250*4	250	245	126.0	Hat West Bank
Gus Center	M	94	86	14.86	Stanley Laters
ioM Steam Pia	1461	156	129	43.8	See Containers A
Midlands Bec.	429"4	426	23	1.7360	Armi Emice
Royal Insurance	m	428	370	6.26bm	Sun Alliante
Southern Water	PBB	983	681	1.51bn	Scottish Power
Southern Water	7,008	983 .	1961	1.57bn	Southern Blee.
(rafalger House I	80° p	50%	44.75	538.70	Kenemer
	666			487.90	Slabe , ,
Paces, perce arters indicated. * 17/5/96 §§Starce med cash. * !	for 75% bald by S	eq Indonues.	1 Cash 5 sh	are aftersellers.	_{mil.} "B _{illi} nd on lykelikus pusiti † S <u>in Cast</u> A slump for easy 10

In the Pink

Inflation – what would it take to bring it back to life?

Stephen Lewis sees signs of rebellion against tough anti-inflationary policies. He says it could return if the central banks lose their resolve

Stephen Lewis is director of research at the London Bond Broking Company

unions the with employlikely to be talking about job security as pay rises. In the UK, the official regulators of privatised utilities press regularly for reduced charges for

All this would have been unthinkable 20 years ago. Then, the key questions were how fast wages, prices and charges would increase. Now, inflation is a much less significant consideration in the decisions which businessmen and consumers make. This is why some economists have been tempted to declare that inflation is dead.

But is that true? After the turmoil of the 1970s, it would seem a miracle if it were although, clearly, there have been global economic and social forces at work over the past decade that could have been effective in breaking the inflation psy-

The spread of technology, especially in computing and communications, has cut the demand for labour in skilled and managerial grades. It has also transformed the structure of business organisations, shifting employment away from mass production manufacturing to the service industries which are able to use labour more efficiently through part-time and con-

tract working.

Meanwhile, deregulation and liberalisation of capital flows have made the developing countries, with their low labour costs, attractive places to which manufacturing companies can relocate. This puts downward pressure on wages

in industrial nations, especially in the less skilled occu-

Figures for all industrial countries confirm that, on average, inflation has been lower since 1980 than it was in the preceding 10 years. On the face of things, this supports the view that disinflationary forces have come to dominate the industrial economies and

that inflation will stay low or even disappear. The problem with this

In Europe, public spending cuts and high interest rates are the price European voters are paying to ensure carry inflation risks

claim, however, is that inflation had begun to subside long before the computer revolution and changes in manage ment priorities could, plausibly, be supposed to have bad Relocation of production to

low-cost labour centres became a significant factor only in the 1990s. Yet, most of the decline in industrial countries' inflation rates came in the early 1980s: IMF data shows a fall from 12.4 per cent in 1980 to 5.2 per cent in 1983, on average. So, other influ-ences must have been at work. And chief among these probably is the action of mon-

The dip in inflation after 1980 coincided with the adoption by central banks in the industrial countries of a united resolve to restore financial stability. It is hard to recollect now the pessimism which gripped western leaders in the wake of the Soviet occupation of Afghanistan and the second oil price shock. But

inflation that was seen as sapping the foundations of the west's economic and strategic security. And inflation came down because central banks were prepared to do what was needed, however painful, to break the spiral of rising

The anti-inflation consensus fragmented occasionally. In those countries - such as Britain in the late 1980s -

that monetary union will not

where the priority shifted back towards stimulating growth and employment inflation reared its head quickly again. The annual rise in UK retail prices went up from 3.3 per cent in February 1988 to 10.9 per cent by Sep-tember 1990. Even in a generally benign global environment, policy errors can stillwreak a heavy inflation-

ary cost on an economy. The danger now is not simply of inflation in one country that would peter out eventu-ally, given the free operation of social and technological forces, as soon as policy errors were corrected. The end of the cold war is bringing a gradual end to cold war thinking, including the overriding strategic imperative of maintaining stable financial values at

all costs. Defenders of the anti-infla tion priority in central bank policy have switched the debate to the economic front. They contend that nil, or negligible, inflation is a pre-condi-

policymakers faunched a do-or-die onslaught against the ductive investment. This argument has a highly academic flavour, since the vibrant south-east Asian economies like Japan in its heyday, typi cally operate with higher than average inflation rates.

The political pressures are also shifting. The very fact that inflation has subsided makes it a less alarming threat to voters. As opinion polls show consistently, it has slipped to a fairly low position on their lists of concerns.

in Europe, the costs of antiinflation policy are especially obvious as governments struggle to meet the Maastricht cri teria for monetary union. Pub lic spending cuts and high European voters are paying to ensure that monetary union will not carry inflation risks They are beginning to rebel in the workplace and on the streets if not yet at the ballot

Even the hardline Bunder bank is sensitive to such pres-sures. It is content to leave its interest rates unchanged. even though its chosen money supply target is signalling inflation dangers ahead. The central banks' anti-inflation consensus could be breaking

If the social and technolog cal forces which have helped to check inflation continue to exercise sway in future, the inflationary risks may be limited. The danger is that other malign, influences will come into play.

Job losses in industrial countries, resulting from competition with low-cost produc ers, could generate a rising tide of protectionism. This would disrupt the free global movement of goods, services and, possibly, capital. And it would roll back many of the anti-inflation gains scored in recent years. Inflation is not



Discover how far your money can go offshore

Venturing offshore can pay handsome dividends. A point that's extremely well demonstrated by our three new accounts. Offshore Equity Linked Savings Account (FLSA) - 200% of the growth of the FT-SE 100 after 5 years. Over the past 5 years this would have produced a staggering return of 128%.* Offshore 60 - rates that we guarantee will beat the average rates of comparable accounts offered by the offshore

subsidiaries of the Ton Ten UK building societies. Offshore Step-Up an attractive rate of return that rises to a spectacular 10.25%. Three innovative accounts that all come with the added reassurance of knowing you're investing with a subsidiary of Birmingham Midshires. one of the UK's ten largest building societies, established since 1849. Minimum investment in the accounts is £5,000, with a maximum of £2,000,000.

	4 0 	70000			J K E		
Tig: Birmingham Midshives (Governsey) Limited, 10 Box 106, Canada i Mease send me full details of your new Offshire Accounts:	Court, Upland Road, S	St. Peter Port, Garage	g, Channel Islands 67 grant the part of		90	_^	WA/751
Name (Mr/Mrs/Mas)	Address			_		Midsh	ngham ires
		Postcode			IR AT	(Guernse)) Limited
Country	Daytime Tel. No.				eli exece	d your ex	pectations

Comm pir (134 instant, line penenje m Officer dë spjeke mat 30 jan 1947 liv 1835, nëmet ute ur të Officer joy-dji Asmad unuvezis, m i lan 25 r juji që njëll, hemajon ikation Karderji Unëvelus pod up opëri më uveza e të ndhu, të nëmad ndër ke kultup spredise pëdh shkikon (Karman) Unqjek ar un cirerë kip tër Oqual Paurtiun Srivër unën pa 18 kultup az 1917 bat, mda dër habbuj kustën Aq 1916, hem

Weekend Investor

Wall Street

Home buyers turn logic on its head

Mortgage rates are going up - but so are house sales, reports Maggie Urry

by are Americans buying houses? Or, rather, why was the market taken by surprise this week when two sets of figures showed home sales were continuing to rise in spite of the upturn in mortgage rates?

To a simple economist, a rise in the price of something should cause a fall in demand. Mortgage rates, which in the US track long-dated bond yields, have risen from 7 to 8 per cent since the start of the year. Many had expected that the rising price of a home loan would damp demand for

Not a bit of it. On Tuesday, the National Association of Realtors reported that sales of existing houses in April were running at an annual rate of 4.2m. That is the highest level since December 1993 and is up nearly 13.5 per cent from the rate in January this year. The figures are seasonally adjusted, so they make allowances for the no-one-buys-a-house-in-

January effect.

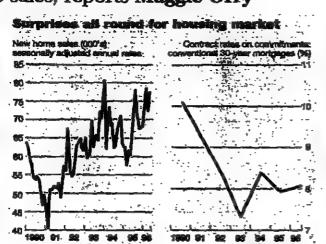
Thursday brought news from the government that sales of newly built houses also were buoyant in April, and running at an annual rate of 776,000. The monthly sales rate has exceeded 700,000 for four months in a row, the first time that has happened since the end of 1993. As well as the strong April number, the figures for February and March

were revised upwards.

"Housing indicators continue to surprise on the upside," said the economists at Deutsche Morgan Grenfell/C.J. Lewrence in their snap assessment of the figures. According to Marilyn Schaja, economist at Donaldson Lufkin & Jenrette, the number was "extremely significant, as it indicates prevailing high mortgage interest rates are not yet damaging this most interest rate sensitive sector of

The bond market, in particular, disliked the news, but that spilled over into falling share prices, too. After all, rising interest rates were supposed to choke off demand and slow down the economy. The faster the economy grows, the less happy is the bond market. To bond investors, growth means inflation — and that leads to yet higher interest rates and

lower bond prices.
So, rising house sales are bad news for the markets. It is made worse by people having the annoying habit of following



up a house purchase by shopping for refrigerators, carpets and the like. More spending, more economic growth.

The problem is that real people do not always behave as the economy is doing well, people are probably feeling better off and more confident about buying a house. Those who have made money with their mutual fund investments in the past 18 months may feel wealthist, encouraging them to move to a larger house. It is, perhaps, sig-

investments now exceeds the equity they have in housing.

As Allen Sinai, economist at Lehman Brothers, puts it:

"Good demand-side fundamentals are bringing about the solid performance for housing and home-building in a period

nificant that the value of

Americans' stock market

of higher interest rates."

All right, people might say, so mortgage rates have risen a bit. But, at 8 per cent, they are not as high as they were a few years ago. And if rates are rising, it might be a good idea to take on a fixed rate mortgage somer rather than later. So, Sinal expects the momentum of house buying to continue unless (or until) a rather sharper rise in interest rates is

He adds: "Not until a substantial tightening of monetary policy occurs, or there is a significant restraint in lending, can a sharp decline be expected in home buying and building activities." That could happen in 1997, he believes. Stephen Roach, chief economist at Morgan Stanley, suggests that if the long bond

yield (which was touching 7

or 8 per cent, then the sector would weaken. He says there is a general disbelief in the present vigour of the economy. That could be changing. The first quarter gross domestic product figure was revised

downwards this week, from 2.8

to 2.3 per cent.

And while that might sound like good news for the market, the thing that changed in the first quarter figure was stocks, which turned out to be lower than first estimated. That will mean companies stepping up production, making second quarter growth faster than expected previously.

There is another worrying

sign for a market concerned about too-rapid growth and higher interest rates. Suddenly this week, normally taciturn Federal Reserve officials have become remarkably garrulous. A rash of statements from various policymakers have highlighted the Fed's need to

various policymakers have highlighted the Fed's need to be wary about inflation. Food and energy prices were rising, wages picking up and there was little slack in the economy, they said. Roach called the hawkish

remarks "no coincidence". Previously, he had calculated odds of one in three on a rate rise at the Fed's next meeting early next month.

Now, he thinks the likeli-

hood is 40 per cent.

The lesson? Anyone thinking of buying a house should move fast.

Monday Closed
Tuesday 5,709.67 - 53.19
Wednesday 5,673.63 - 35.64
Phiraday 5,693.41 + 19.58

London

Buy now while stocks last

Philip Coggan sees thirsty bidders lap up liquid assets

hew, water scorcher!
Not only did summer finally arrive in
London this week
but the UK stock
market got a lift at a difficult
time from a brace of hids for
Southern Water

Southern Water.

Britons are famous for ripping off their clothes and sitting outside as soon as there is a break in the clouds. And investors were suitably losing their cool at the prospect of the remaining independent water companies being lapped up by bidders. As the graph shows, during the week the water sector recovered all of this year's underperformance relative to the FT-A All-Share index.

the FT-A All-Share index.

There is a real feel of "buy now while stocks last" in the utilities sector as investors (and corporate managements) contemplate the prospect of a Labour government. A Tony Blair administration could restrict takeovers in the sector and might also take away the utilities' spare cash by means of a windfall tax.

Hater flows uphill

Highlights of the week

+33

Collectors of utilities bids now have the hill set. They have seen electricity generators bidding for distributors, water companies bidding for each other, and water companies buying electricity groups. Finally, they have two electricity groups bidding for a water

The rival offers, from Scottish Power and Southern Electric, both involve a combination of cash and paper and the winning hid could give a modest boost to the overall market, assuming it passes the regulatory hurdles.

But yesterday's much expected merger between Lucas and Varity, an all-share deal, did little beyond helping the share price of the automotive components group, which predicted substantial cost savings and which should see its shares return to the FT-SE 100 index as a result.

Unlike those in early 1986,

thinke those in early 1995, threatens recent takeovers have tended the 1995-96 to be based more on paper than Falling 100 cash. In any case, institu-

tions appear to be building up their cash holdings and not reinvesting such monies they have received from bids.

A recent Marrill Lynch survey found that most fund managers were planning to reduce their exposure to UK equities. This caution appears to be what is keeping the FT-SE 100 index in a narrow 3,650 to 3,850

range.

The underlying weakness of the market was shown on Thursday when, with no further bid news to act as a spur. Footsic gave in to the pressures of a weaker Wall Street and fell 29 points.

and fell 29 points.
Given that the UK market, at least in terms of Footsie stocks, has underperformed its peers this year, one might assume that London should be relatively immune to Wall Street's declines. The problem is that any sign that US interest rates might be about to rise threatens the whole basis of

the 1995-96 bull market.

Falling interest rates have



time to cool off after the water bids

Traver Humphr

market, but it is arguable that the next move in US, UK and Japanese rates will be up (elthough the turn might not occur until 1997) and the trough in German and other European rates might not be too far away.

While growing corporate earnings can give shares some support, any rise in world interest rates makes it hard for equities to make progress, as investors discovered in 1994.

Most analysts seem to expect

the UK market to continue to trade sideways during the summer but Paul Walton, UK strategist at Goldman Sachs, warns of a number of risks that might hit share prices: a communist victory in the Russian elections, a spike in commodity prices, evidence of robust economic growth or aggressive Republican plans to cut US taxes. "We wouldn't be surprised to see equity prices round the world fall by 5-10 per cent at some point," he says.

Another factor which has been making life difficult for equities is political risk. This is proving more complex than most had thought. As previously mentioned in this column, there is a school that argues that Labour could be that it is more likely than the Conservatives to sign up for

European monetary union.

The same argument is now being applied to sterling, which reached a 15-month high against the D-Mank yesterday. The pound finally is extching up with the progress made by some of the other normally weak European currencies, such as the lira and the peseta, which had previously gained from Emu hopes.

Equities, however, are more problematic. Investors' concerns are focused on a host of micro-economic measures, such as the minimum wage and adoption of the social contract, and the prospect that Labour is far more likely to raise revenues from the corporate, than the personal, sector. Such worries may be behind the caution of the investment institutions.

institutions.

Having said all that, however, the sluggish performance of Footsie this year might not reflect the experience of most investors. By Thursday night, the leading index had risen just 1.5 per cent since end-1995; but the Mid-250, packed with cyclicals and bid candidates, was up 11.9 per cent and the All-Share 4.5 per cent.

his outperformance by smaller companies could also reflect expectations of a consumer-led recovery, on the basis of recent tax and interest rate cuts. Smaller companies are normally more biased towards the UK economy.

According to Adam Cole, UK

sconomist at James Capel, yesterday's "April consumercredit data are further evidence that we [the UK] are on the verge of a veritable boom in consumer spending. Having been slated as hopelessly optimistic last November, the chancellor's forecast of 3% per cent consumer spending growth this year looks increasingly plausible."

The prospect certainly seems to be priced into shares. The leisure, brewery and retailing sectors all are trading on higher price-earnings ratios than the market.



Barry Riley

Comeback of the consumer

The economic pendulum has swung - but where will it stop?

Moss Bros.

ow the economic pendulum swings. It is only 16 months since I wrote about the dramatically different experiences of the UK's "two economies". Industrial production in the previous year, 1994, had been rising at about 5 per cent while, on the other hand, real personal disposable income had been growing at less than I per cent.

The rare prospect could be savoured of a sound UK economic upturn led by exports and investment. But not for long. Now, it is manufacturing that has dived into near-recession, with output drifting back from a high point reached in the third quarter of last year. But the services sector continues to grow steadily, at almost 3 per cent a year, fuelled by similar growth in real personal disposable income

personal disposable income. We have seen this reversal of fortunes reflected in the the indices were being led up by the big blue chips. These include the big manufacturers and exporters. In 1996, er, the Footsie index of the 100 biggest UK stocks has gained only about 2 per cent. The real action has been in the medium sized and smaller companies that can be expected to benefit from a vicorous domestic services sector, a recovering house market and a pre-election

consumer boomlet. The FT-SE
Small Cap index is up more
like 15 per cent this year, and
the Mid 250 is not far behind.
What appeared to be a
tamporary stock adjustment
problem in the manufacturing
sector could have developed
more

problem in the manufacturing sector could have developed into something more serious. Poor demand from continental Europe, the UK's biggest export market, has been the most obvious factor with Germany, in particular, sliding into a recession. But it is worth asking if there could be a more sinister problem in UK manufacturing, with companies chasing profits at the expense of volume.

the expense of volume.

After 1992's exit from the European exchange rate mechanism, export prices were raised quite aggressively. This might be seen as a characteristic of the increasingly profit-hungry UK shareholder economy, which is vulnerable to being squeezed for business during a recession by producers in the continental stakeholder economies who are driven by

economies who are driven by volume rather than margins. Without a cheapening currency to help them, UK manufacturers seem to flounder. They are wilting under the pressure of an increasingly competitive D-mark, which has quietly depreciated by 7 per cent against sterling during the past six months.

As for consumers, who every few years double as

voters, they are the obvious beneficiaries of the electoral cycle. They were hit early in the present parliament by tax rises and spending cuts, but are now being bribed blatantly with tax reductions and chesp mortgages as the next election looms.

iooms.
This time, however, the implementation of the

Manufacturers
are wilting
under the
pressure of an
appreciating
pound

too clumsy and obvious to do
the Conservative party much
good. Now, the government is
stuck with an embarrassing
and intractable budget deficit
which cannot be addressed
through unpopular spending
cuts this side of the election.
Rapid economic growth has
been essential, but chancellor
Kenneth Clarks needed a big
stroke of luck on the export
side to hit his overall 3 per
cent economic growth target
for 1996. Instead, exports have

slumped.
All may not be lost,
however. Interest rates have
been falling steadily on the
Continent, and monetary
erowth there has begun to

accelerate. The D-mark has been falling even faster against the dollar than against sterling – by more than 10 per cent since November. It is, therefore, reasonable to expect a bound-back nom in the continental economies. This could be just be enough to give Clarke a much-needed

helping hand.

My own view about the UK economy this year has been that while the 3 per cent. Treasury target was never really on for 1996 as a whole, given the winter's slowdown, there could easily be an acceleration through the year. By the final quarter, year-on-year growth might indeed be not be far short of 3

In fact, some City forecasters are expecting quite a boom to develop in 1987, with growth reaching 3.5 per cent or more. This would reflect a highly stimulative combination of loose fiscal and monetary policies. With the public sector borrowing requirement running at chose to \$30bm this year, there ought to be talk of tax increases, not cuts. But, of course, they will have to wait until after the election.

As for interest rates, the Bank of England remains cowed by its misfortunes a year ago when it was misled by economic growth estimates that later were revised down sharply. It does not wish to cry wolf again. Nevertheless,

it would not be surprising to see short term interest rates edging upwards by year-end if the Bank has its way. It would take more than

452

that, however, to force the two economies back into close harmony. They can move apart so long as the markets do not care about the worsening imbalances in trade and public finances. An almost unlimited flow of global liquidity is available to offset the financial links between the different economic sectors. Only when the markets lose confidence do the links snap tight again. That is when the consumer economy will be reined back.

The moment probably is not very close. When economic policy is loosened, as it has been significantly over the past year, there is a benign interval of up to two or three years when the actual and potential consequences for the balance of payments and inflation are treated lightly by the markets. This year, for instance, sterling actually has been strengthening, mainly because looser monetary policies also are being followed on the Continent and in Japan. Moreover, a strong dollar always tends to drag

the pound higher.

The pressures are likely to be seen first in gilt-edged rather than equities. Keep watching for the pendulum to swing, but the end is not yet

here is a tide in the affairs of men which, taken at the flood leads on to

As one of Scotland's oldest and most established investment companies, Murray Johnstone has been managing funds

for private investors since the turn of the century. Our strong heritage, wealth of experience and proven success make us the ideal choice for anyone seeking expert investment management. We offer two tailored portfolio management services: the first a highly personal service for those with £200,000 or more to invest; the second a discretionary service for those with £50,000 to £200,000.



So if you have £50,000 or more to invest and want to know what our expert fund management could do for you, please call. We'll be happy to discuss your personal situation in more detail.

Call Paddy Gibbs, 7 West Mile Street, Glasgow CI 2PX on 0141 226 3131 or Alan Topicy, 50 Caleman Street, London ECZR 5AN on 0171 606 1222 MURRAY JOHNSTONE PERSONAL ASSET MANAGEMENT LIMITED (REGULATED BY IMRO)

Offshore managed funds and UK managed funds are listed in Section One

Number One Southwark Bridge, London SEI 9HL, U.K. Tel: +44 (0)171 873 4102 Fax: +44 (0)171 873 3069 FINANCIAL TIMES

Book and the second of the sec

1022.00 *1.00 497.70 -0.00 391.00 -0.10 391.00 -0.10 391.00 -0.10 205.21 -0.30 205.27 -0.30 205.27 -0.30 393.77 -0.50 392.77 -0.50 392.77 -0.50 392.70 -0.20 192.00 202.00 +0.10 192.00 202.00 +0.10 192.00 202.00 -0.20 172.00 202.00 -0.20 272.00 202.00 -0.20 172.00 202.00 -0.20

| Marie | Mari

Forting and Life Townson of Book 1977

| Foundary | 176.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 196.5 | 1

| Barrier | Barr

| 1943 | 1942 | 1943 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 | 1944 |

+1.80 +0.30 +0.10 +0.10 +0.30 +0.30 +0.30 +0.30 -0.30 -0.30 -0.30

191.4 146.6 161.5 166.5 166.5 166.5 114.5

व्यक्तिक्ति ।

723.6 241.5 262.6 262.7 262.7 262.7 262.5 110.5 110.6 201.5 110.5 201.5 781.8 254.1 271.7 3408.7 1117.1 368.7 27.7 27.7 27.7 27.9 118.4 308.2 1085.5 308.4 534.3 334.3 484.5 284.9

2761.4 2700.5 276.0 280.6 277.2 281.6 773.1 771.6 240.9 256.9 580.1 810.7 181.6 201.1

P1482 371371

19799 14874744

01406 200ES

1617 1049 2443 517 A 277 A 277 A 277 A 277 A 277 A 273 A 274 おきていないとのなるなかなない はなるとしてもをある

767.8 +2.4 +71.5 1406 +14.8 1406 +7.7 282.8 -0.2 -836.1 -8.5

190.7 -01 -190.7 -41 -190.2 +1.1 -

15.0 10.3 154.1 16.3 17.2 40.4 20.5 18.4 32.9 24.8

है। । इतिहा देवैहेई

| Desiration Day Units | 100.2 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0

أنصار مثل بوالمثلة ومدمهمة وطاوانا أحد

101-105 Depter Rd, Unitalities
Units

Money Market

Money Market

Bank Accounts

Trust Funds

Sedse Life - Goods.

082.8 113.0 2011 170.2 2013 2013 170.2 2013 120.2 2013 120.2 2013 120.2 2013 120.2 2013 170.2 2013

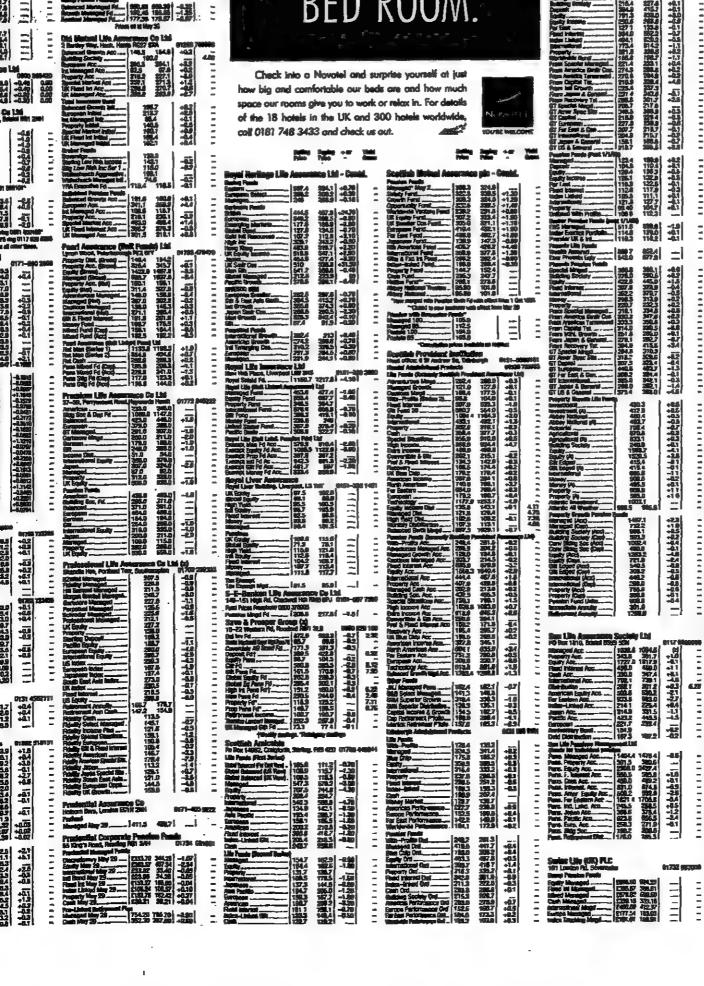
784.4 41.1 227.4 44.1 416.7 40.1 238.0 40.0 238.5 44.5 132.4 40.1 232.2 40.5 232.2 40.5 234.5 41.2 234.5 41.2 234.5 41.2

FT MANAGED FUNDS SERVICE

Scotlink Windows Cream
Piller 1 Stort Scattlinh Americality - Canada Funda | 1924-0 140.40 | ...| | Intelligent | ...| | 1980-0 1822-5 | ...| | 1980-0 1822-5 | ...| | 1980-0 1822-5 | ...| | 1981-0 1822-5 | ...| | 1981-0 1822-5 | ...| | 1981-0 1822-5 | ...| | 1981-0 1822-5 | ...| | 1981-0 1822-5 | ...| | 1945 | 1941 | 435 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1945 | 1 | Significan | Life | Famous State | Company | 3 (harrys R. Splinturys R-C 202 |
| Interact | State | 2017.3 2016 2015 27:22 27:23 20:13 27:23 2

OUR BEDROOMS HAVE MORE BED ROOM.





| Charles | Char

Doo Hong Bk (Ldn) Plo/Ove

MANAGEMENT SERVICES

Charter Stanley & Co Ltd 21 Ltd Street Lundon EC2A 44R 2171-739 8203 Ch Smetey PH. P. L. 1883. 428.7 1-22.40 - 1.0. Ward Financial Services 12d 20 Ltd Photo Photo - 1.0 Ltd Photo Pho

| County | C | Purple & Breithbeeths 144 | Strategy | Person No. 2014 | State | Sta

MITTER—Green: Community of sale of interrupt possible, not taking annium to the designation of locatic rate flucture line, like these of interrupt possible that altituding the elegation of basic cuts natural type of the community of the controlled to take account of communities of theses paid offers that once a year, "Composinglet Annium Basic" but the Proteomry at which interrut of coefficient to the account.

AND THE REAL PROPERTY.

250

العدارين ويستعدد و الرازات الداريو أعلامه أدافك الانجاب الدارات الوارات

FT MANAGED FUNDS SERVICE Cityline Unit Trust Prices are available over the telephone. Call the FT Cityline Help Desk on (+44 171) 873 4378 for more details. High Asia Pacific University Front Control of State Contr 神像で言 Table Barber - Table 新物で温 Broyal Strands Life Assumance Life (1) The first partial of the control of the c Global Asset Management - Could City & interrustrated from the control of the contr For Regio Asset Mpl see Sun N Republic Founds NACO MAY CO. CO. STATE 1 ... S Dar John Areament Products The Control of the Cont Scotlish Control of the Control of t Sabre Futures Fund PARTIE COM Single investment from the part of the par Company many parties of the company Resentioning U.S. Japaner, Managent Co. S.A. (n.) Resentioning Agins Front (U.S. Japaner) R.-G. Editational Co. Japaner, 18-04 R.-G. Editationa Constitution of the Consti Crucia Lyonania for Agent Agricultural Company of Crucia Lyonania for Agricultural Company of Crucia Lyonania Europe Value Fund (v) \$1.77 Europe Value Fund (v) \$16.66 | -0.07| Fidelity intertranset (CI) Ltd. 2.0040 Fidelity intertranset (CI) Ltd. 2.0041 Fidelity intertranset (CI) Ltd. 2.0041 Fidelity intertranset (CI) Ltd. 2.0041 18 30 Sing Alliance brings (or p. 1924) Sing I all the same of 超器 Consequence of the bit of the consequence of the bit of the consequence of the bit of the consequence of the Destant investment laser Co Lief endini Espay ... | (2) 2522 | 18 1674 | Condini Espay ... | (2) 2522 | 18 1674 | Condini Espay Company SA (Umbrella BL Standar Domains in 17881 Company BF Supertraint & District Francis BF Copertraint & District Francis BF Copertraint & District Francis BF Copertraint & District Francis SPC Agent Francis SPC Agent Francis SPC Agent Francis OTHER OFFSHORE FUNDS State 1 States 2 Societe Generale Group Society Empire UK Realty | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 Society Summade Groups Societ For Description In the Company and Territor | _| -Britisher Bark President Green Indicate Annual Market Ann State Street Beauty \$4 Affence Capital TOTAL T

GARGEREN (1985) - CARTER STANDER STAN

SPAM (May 31 / Pts.)

AGFUNIACE AND AGENTAL AND AGENTAL AND AGENTAL AND AGENTAL BROWN TO CHECK THE AGENTAL AND AGENTAL AND AGENTAL AND AGENTAL AGENT

AGA B AGA B

Winds

Winds

Winds

Winds

Winds

Apple 1

Apple 1

Apple 1

Apple 2

Apple 2

Apple 2

Apple 3

Apple 3

Apple 3

Apple 4

Apple 4

Apple 5

Apple 5

Apple 6

Apple 6

Apple 6

Apple 6

Apple 7

Apple 6

Apple 7

Appl

AFRICA

SCOTTI AFTEGA (May 31 / Rend)

87/8-00 (225/98) 1(927/ (18/10/93) 2296/28 (225/98) 256-46 (31/8/13)

interest in the second of the

B Coulon Process of the Coulon Process of th

1.270 1.273 18.000 1.017 1.672

857 1778

ACHRICANA ARTICLANA ARTICL

をおからない。 1985年 19

INDICES

France SP 250(31-12/90) CAC 40(31-12/87) Germany FAZ Alden 31/12/87 Communicate N/1/2/5 DAX: (30/12/87) Germany SP 26(30/12/87) Germany SP 26(30/12/87

Greece Athens SE(31/12/90)

Configuration of the control of the

Amenda Am

Powrép Powrép Printe Pr

EUROPE

Cobreto Colore C

COSTON P. COSTON

Addition Add

US INDICES

11-11-11 | 12-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 | 11-11-11 |

May Many 30 29

546 561 561 561 560 1254 561 140,30 7,915 250,30 140 140,50 140 151,10 1

Happing States of the States o

758 2.6 783 1.0 785 1.7 518 1.7 2.100 0.4 1.142 1.5 1.142 1.5 576 1.5 680 2.1 13.10 3.1 12.56 2.1 10.5 1.1 538 1.1 538 1.1 538 1.1 538 1.1

COURT OF THE PARTY OF THE PARTY

Tytina L.
Tytina Tytina

Peregrine has the world's largest team dedicated to the international distribution of Asian securities.

PEREGRINE

这个人的一种,我们就是一个一种,我们也是一个一种,我们是一个一种,我们是一个一种,我们也是一个一种,

Outside
Outsid

THE TATAL TENENT PROPERTY OF THE PROPERTY OF THE TATAL TATAL TATAL THE TATAL

British British British British British British British Cit Fin Cribber Chindip Control County Count STATE OF THE PROPERTY OF THE P TTTT IFT INTERNATIONAL ACCESSION INTERNATIONAL INTERNATIONAL PROPERTY OF THE P Dominist Operation of the Control of

THE STATE OF THE PARTY AND THE TO SELECT THE ART OF THE PROPERTY AND THE PROPERTY OF THE PROP SENCE OF STATE OF STA

Athir is the after the the tite is think in this is the interior is the tite is a state in the construction is a state in the construction in the construction is a state in the construction in the construction is a state in the construction in the construction is a state in the construction in the construction is a state in the construction in the construction in the construction is a state in the construction in the const ~~ 1890 -1996 -Japan
Tophel/1/65)
Znd Sactory/1/80)
Mesleopsie
KLSE Conto (MARRI)
Mesleop
POptor 1978
Mesleop
Striknfundent 83
Triknfundent 83
1984 STRINGENT 83
1984 Zanland
Cap 40,17786
Horrespy
Cdo SSpol(27,165)
Portugesi
Marsia Cosp(27,165)
Portugesi
SML SQM/1/83
Singaporte
SSOuth Astrica
SSE Ind.(29,8778)
SSouth Astrica
SSE Ind.(29,8778)
SSouth Korver Argustina Green(29/2777) Austrolia Al Ordenney (1/80) Al Manug (1/80) Austria Credi Marco (1/2/84) Traded Indoo(2/1/97) Belgiarm RELYOL 1/871 175240 1741.02 1758.02 1773.26 285 RELYULTRIT
Small
Small 1215.20 B4 South Koree KreeGupEr (47.80) Spain Madrid SE30/12/85) Sweden Afterwardsco(1/2/31) Adhermentingen(1/2011)
Sweltzertanden
Sweltzertanden
Sweltzertanden
Stelle (Michigania)
Tehwan
Wegdhadrh "(306/66)
Theilland
Banglink SET(304/75)
Turfwy
Mathidd Clayulan 1955)
WOOPILD
AS Capsal InSE(1/1/70)
CROSS-BORDER
Euchack 100(25/10/90)
Exc Topod1/12/88)
BKS Dings Emig(7/1/82) 924.39 618,73 918.65 1017.96 4/3 ROLDS 294

Indonesia Julata Comp (10/8/82) Ireland ISEO Overal/4-1/88) 1899.17 28:5 1498.28 28:4 383.16 18:4 184.14 14:5 1607.00 1679.37 1692.00 1442.14 1437.39 1446.80 04 378.07 378.27 162.27 161.54 161.68 Japan Hildai 225(165/49) Hilda: 300(1:10/82) 1973470 13/3 28440 11/3 High Open Sett Price Change 9,171 51,324 1545.00 1550.00 +12.00 1556.00 1545.00 1554.00 1557.75 +13.75 1557.75 1554.00 May 1
Jun 1
E SOFFEX
Jun
Jul
address ura 100 e Jun 2548.0 2540.5 -13.5 2551.0 2523.5 13,247 161,439 Jun 3516.2 3538.0 +30.0 5ep 2568.0 2559.0 -12.5 2568.5 2545.0 261 7,917 Jul 3528.5 3538.5 +17.5 "5.2 May 25 Tausan Weighted Price 6908.41; Norma Comp Ex 911 76. Bess values of all edicase are 100 etclor; Austria Traded, SEL20, HEX Com, MIS Gen, SM. 3a, SEF250. CACO, Euro Top-100, ISEO Charact Toropto Comp./ Majata & Najarata and DAX - all 1,000; JSE Gold - 256.7; JSE 28 Industriate - 264.5, NYSE An Common - 30 and Standard and Pogris - 10 55 Monroel + Toropto, (c) Closed, (a) Unavailable, I IESS/DAX after-hours ender: May 31 - 2523.61 -11.97. 3543.0 35 3529.3 35 ? Comection. * • The Ox Incl. stock whereas during the day.

Low Est vol Open int.

1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 |

28 High Lew

9.87 5778.00 5002.94

(229) (0/1)

1.30 188.80 101.19

(14/2) 859

2.51 228.20 189.2.71

(229) (18/1)

2.91 234.80 (25.42

(727) (727)

(728) (729) (729)

5.522.5.07 (8522.65) (7266.95)

(245) (957)

1.10 887.32 702.07

(245) (157)

1.11 888.80 (167)

1.12 388.74 321.41

(245) (157)

1.13 188.85 388.57

(225) (18/1)

1.30 188.85 388.57

(225) (18/1)

1.30 188.85 388.57

(225) (18/1)

1.30 188.85 388.57

(225) (18/1)

274024 (Aury 37 / Aury 37 41.22 (87732) 54.39 (1/10/81) 12.32 (87732) 10.50 (8/4/32)

HEROTE HE

THE PROPERTY OF THE PROPERTY O Newscape North North Package North North Package North North Package North Nor

10000 P. 4.14400 P. 12400 P. 47 P. 144 P. 14

2.00 2.00 4.00 4.00 4.00 4.00 4.00 5.00 5.00 5.00 6.00

Associate
Beagin
Beagin
Beagin
Col. He
Convey
Conve MALAYSIA (May 30 / MIYF) Boueld Gening HLCred Multiple Multip Pegas 5.55 21,20 11,80 23,70 2,12 3.85 10,90 4.26 8.40 6.70 22,80 (0.60 m

Prince departed by Temperature and Temperature (Temperature and Temperature an

FT FRICE AkhullAL, REPORTS SERVICE for the total part of up to the part of up to the

AMERICA

Leaders fall as 30-year yield tops 7%

Wall Street

Leading US stocks tumbled in midsession trading as the yield on the benchmark 30-year Treasury bond climbed above the 7 per cent level, writes Lisa Bransten in New York. Technology shares, in contrast, moved higher following a strong performance from some

The Dow Jones Industrial Average was more than 56 points lower just after 11 am when the yield on the long bond first moved through 7 per cent, partly due to speculation that the Federal Reserve might raise interest rates this summer. The Dow's fall triggered the "uptick" rule, which restricts some program selling.

with bonds throughout the rest of the morning. By 1 pm the long bond yield had moved down to 6.996 per cent, and the Dow was off 44.70 at 5,648.71. The Standard & Poor's 500 feli 3.27 at 668.43, While the American Stock Exchange composite added 0.43 at 609.84. Volume on the NYSE came to 203m

Cyclical shares, which stand to be hurt disproportionately by an increase in interest rates, underperformed other

The Nasdaq composite managed to post a gain of 5.64 at 1,239.12, led by a \$4 increase in Intel, the world's leading manufacturer of silicon chips, and the second biggest company listed on the Nasdaq. Intel's gain followed a meeting for analysts held on Thursday in New York and brought the the US and Nokia of Finland company's shares to \$751/2. Merrill Lynch, the New York investment bank, raised its intermediate-term rating of the shares to "buy" from "neutral", but left its long term rating at "buy".

Microsoft, the biggest company on the Nasdaq in terms of market capitalisation, added \$% at \$118%. Other Nasdaqtraded technology issues pos ing strong gains included America Online, up \$2 at \$56%, Applied Materials, \$1% stronger at \$37, Intuit, which climbed \$2% at \$52%, and Sun Microsystems, which rose \$2% at \$62%

Elsewhere, Varity jumped \$3 or 7 per cent to \$49 on news that it would merge with Lucas Industries of the UK. Both Lucent Technologies of

traded in 932.925 shares as it moved higher on rumours that Lucent might make a takeover bid for, or form an alliance put on 50 cents to C\$40. with, Nokia. Lucent was up \$1% or 4 per cent at \$38 and

American depositary shares of Nokia added \$2% at \$4%.

Toronto was mixed in spite of the fall on Wall Street, with strong conglomerates and gold shares giving it a foundation. The TSE 300 composite was up 4.53 at 5,229.91 at midday, and the precious metals index was running over a percentage point higher in midsession. Volume was 50.5m shares. In golds Sikaman led, up C\$0.015 C\$0.135 in 1.7m shares. But bigger bretheren moved a

lot more turnover: TVX Gold

rose 25 cents to C\$12.45, and Placer Dome in 818,186 as it

Latin America

to 113.97.

86.9m zlotys.

MEXICO CITY moved slightly lower in line with Wall Street. By midsession the IPC index was off 20.34 at 3,240.52. In SAO PAULO the equity market was resisting the US trend, with the Bovespa index up 306.20 at 57,184 by noon. BUENOS AIRES was weaker as investors searched for direction amid a lack of domestic corporate news. The Merval index was off 5.62 at 598.17 by midday. Profit-taking following recent strength continued in CARACAS where the IBC index was down 34.38 at 4.442.50 by late afternoon.

WARSAW recovered from

Thursday's decline, but ana-

lysts were unsure whether this

signalled a return to growth in the equity market. The Wig index, which had risen by

some 70 per cent over the first

five months of the year, added 1.3 per cent to 11,894.7. Turn-

over was up 17 per cent to

ISTANBUL traders lightened

portfolios ahead of Sunday's

by-elections and a censure

motion against the prime min-

ister on Monday. The compos-

ite index shed 791.45 to

Written and edited by William

Cochrane and John For

SOUTH AFRICA

may be about to slow t the start of this year, ity assets. However, thickly oil on Royal Dutch, a number

David Brown on a surprising Dutch performance

Amsterdam's bull run

Amsterdam's investment community was convinced that the bourse was set, at best, to deliver an unremarkable performance. In late December, ABN-Amro Hoare Govett, the Dutch bank's stockbroking subsidiary, said that the AEX index was set for an anaemic shuffle through the year. With remarkable luck, it might move from its December position in the mid-480's to reach the 515 mark by midyear, they forecast. The market punched through 515 just eight

weeks later. Contrary to all published expectations, Amsterdam has since been stampeding from one all-time high to the next. By the close of business on Fri day, the AEX had reached 570.09, a gain on the year to date of 19.5 per cent. Nevertheless, some analysts are suggesting that the bull may finally have lost its breath.

It has certainly had a good run. Among the strongest performers so far have been technology sector stocks, where average prices rose by almost 40 per cent in the first quarter. Indeed, Baan, an information technology group, has emerged with a higher market total capitalisation (FI 5.6bn) than that of more traditional blue-chip listings like KLM (Fl 5.5bn) and

DSM (Fl 5bn). Shares in food retailing, year-on-year, have climbed by over 61 per cent, while insur ance companies are ahead by over 52 per cent. The average p/e ratio, which climbed gradually from 6 in 1986 to 10 last year, has powered ahead to over 13 in the five months of 1996. The market as a whole, according to a study published last week by CS First Boston, has by far outperformed France (up 11.7 per cent) and Germany (up 18.6 per cent), and has expanded at three

times the overall European average over the past year. by 120 per cent during the first quarter, compared with the same 1996 period.

Several factors have driven the market. To begin with, companies are generally wellmanaged and have high-qualswaddled in both formal and informal anti-takeover defences, they were undervalued in relation to competitors abroad. After a decade of deep restructuring, and amid a quickening hunt for shareholder value, the smaller and medium-sized groups in particular, are in strong position to generate better returns.

"Dutch industry has taken advantage of low inflation to reshape its balance sheet, strip out assets with low returns, and buy into money-spinning fields," says Mr Gerard Sirks of Deutsche Morgan Grenfell. The return on capital employed is substantially higher than in the surrounding

Northwest income

Meanwhile, a good deal of customarily risk-averse Dutch institutional liquidity has launched a strategic migration away from traditional fixed-income investments towards stock, Mr Richard Davidson, Morgan Stanley's European strategist, notes that institutional investors and especially pension funds are increasing, in some cases planning to double, their equity holdings.

Then there are the economic fundamentals, with GDP growth, consumer confidence, and spending still outpacing that of most core European countries.

The relative strength of the dollar has also been a spur to growth, since almost half of Dutch earnings are dollar denominated. Even stripping away the effect of dollar-priced

RISES AND FALLS

TRADITIONAL OPTIONS

British Funds Other Flued Interest Mineral Extraction

of companies like Ahold in retailing and Wolters Kluwer in publishing have extensive US activities. Their earnings are thus powerfully sensitive to a rise in the value of dollar. For all its brute force. Amsterdam's performance has also been one of intriguing nuance. The market is dominated by the top 10 internationals, like Philips, Unilever, and Royal Dutch, which account for 55 per cent of total capital isation. Yet some of the strongest recent growth has come among the smaller and medi-

um-sized companies.

grouping 25 such companies, has climbed from 574.62 at the end of 1995 to the mid 790's. There are also extremes within individual sectors. For example, although the drinks industry as a whole has moved ahead over the past 12 months. Heineken has risen 72 per cent while Rols Wessmen has lost 9 per cent. The food retailer Ahold, is up 75 per cent, Unilever has gained 17 per cent and, in high technology, ASM Lithography is up 58 per cent and Philips down 4 per cent. The popularity of small and medium-sized companies and the extraordinary rise of the Midkap index may be one indication that the bull market has run its course.

The new Midkap Index,

Kempen & Co analysts believe that slower than expected profits growth, as well as a spate of earnings downgrades, most recently KPN BT in forest products and Bols Wessanen in drinks, have already been discounted.

Nevertheless they suggest that a degree of caution might now be in order, not least because of pressure on interest rates and the possibility of a correction on Wall Street. Kempen & Co has a year-end target for the AEX of 566, Morgan Stanley is looking at a target of 570, and Mr Sirks's view is that the AEX may well slip down to 530-540 by the years end. There is a growing inter-

est in cyclical stocks. But having defied the sceptics to date. Amsterdam may still has a few selective surprises in store.

1,613 2,150

2,962

Domestic investors focus on M-Dax in May

- inother panic attack for US creasuries, the Dow and the dollar made its impact on late-closing bourses, FRANKFURT ending with the Dax index 11.97 lower at 2,523.81 after a session close of 2,542.80.

Turnover fell from DM7 2bm to DM6.5bn. At the session close, said Mr Eckhard Frahm at Merck Finck in Düsseldorf, the Dax 30 was showing a 1.4 per cent gain on the month compared with 5 per cent for the M-Dax, which covers the next 70 shares in the Dax 100 index. The rise of the medium capitalisation stocks, he said. was in distinct contrast with performance in the first five months as a whole, when the 30 was up 12.8, and the M-Dax

This, he said, reflected the influence of domestic investors, keener than foreign institutions to date on names like Wella, Depfa Bank and Fresenins. There was another sea change within the 30 itself where, in May alone, the best performances came from consumer and technology stocks, with Kauthof and Henkel prefs up 12.7 and 9.8 per cent, followed by SAP prefs and Veba with gains of 5.0, and 4.9 per cent respectively.

PARIS was pressured by the expiry of May futures contracts

ASIA PACIFIC

THE WEEK'S CHA	MGES
	% Change
Helsinki	+1.8
Amsterdam	+1
Milan	+0.0
Paris	
Frankfurt	-1
Stockholm	-1.0

as well as by Wall Street and the CAC-40 index lost much of an early gain as it closed up 1.62 at 2,110.06.

The automotive sector gained following the merger between Lucas of the UK and Varity of the US, on expectations that further consolidation in the sector was imminent. Valeo, which has fielded merger rumours for some time. added FFr5 to FFr280.50, and Bertrand Fauré advanced FFr3.70 to FFr186.20.

There was speculation that Fauré might be about to announce an alliance with a Canadian supplier, Magna International. Crédit Commercial de France

put on FFr3.20 to FFr249 as rumours persisted that HSBC, the Hong Kong banking group, might be preparing to launch a takeover hid.

Since the end of last week CCF's stock has gained 5.5 per

I I-SE AC	GEL II	~ \ \\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\	X: O 1] (
Many 31						信息服	DPEAN:	925 E
Hourry changes	Ореп	10.30	11,00	12,00	13.00	14 90	15.00	C/062
PT-SE Estatorica 100)	1685.53	1687.85	1687.83	1688.05	1687.70	1688.06	1587.41	1687.D
FT-SE Eurotrack 200	1731.38	1731.96	1731.80	1733.70	1732.99	1732.06	1732.54	1734,8
			May 2	9 M	ay 26	May 24	May	23
FT-SE Eurobeck 100		1679.37	1692.0	10 16	99.17	1000	169	0.78
FT-SE Burotrack 200		1726.50	1732	7 1	34.50	1723 81	172	6.13
Henry waters 1000 (25/10/9	Oj, Highen	y: 190 - 1 00	9.27, 200 -	ما 175%	witing: 100 ·	1696.15 20	9 - 1731.3	B. † Pprint

cent as the rumours began to circulate: but many analysts yesterday dismissed the maret talk as "pure speculation". Christian Dior lost FFr18 to FF7730 after a cautious fore-cast for 1996, but Docks de France gained another FFr49 to FFr1.176 on takeover specu-

MILAN saw profit-taking in Eni, the energy group, which fell L170 to L7,330. The Mibtel index rose 4 to 10,651 while the Comit index eased 0.55 to 568.59. Turnover was L715bn. Gemina, the financial services and holding company, fall L18 to L698 on disappoint-

ment with the 1995 results

from one of its divisions. ZURICH featured a rise of SFr27, or 3.3 per cent to SFr855 in the watchmaker, SMH on bullish talk ahead of its annual press conference next Friday. The SMI index closed 19.1

HELSINKI soared on a rumour that Nokia might be taken over by the US telecoms group Lucent. Nokia A and the Hex index both hit new 1996 highs, rising by FM13, or 6.8 per cent, to FM205.50, and by 46.17, or 2.3 per cent, to 2,070,42

The two companies declined comment but an analyst at Kleinwort Benson said that the story seemed to be extremely

STOCKHOLM thanked Ericsson and Astra, the Bs and As respectively rising by SKr3 to SKr150.5, and SKr3.50 to SKr307.50 as the Affarsvärlden General index closed 12.6 higher at 1.970.2.

COPENHAGEN saw another sharp drop at the cleaning company, ISS, DKr16 lower at DKr115 after a 20 per cent drop on Thursday, when it reported accounting regularities in its US unit which could cost it

Industrials moved forward while golds came under pres-sure as bullion moved to the

\$390 an ounce level overnight and showed little strength during the session. The overall index gained 66.2 to 6,818.5, industrials rose 101.9 to 7,985.8 and gold was down 10.8 at 2,013.1. Among individual issues Anglo gained R3 to R282, SAB made R4.50 to R132.75 and Sami was 10 cents

LONDON EQUITIES

er of the second second		* '	LUINDUM I
ying lift	s Nikkei	LIFFE EQUITY OPTIONS	
of Pudong companies,	BOMBAY ended a volatile.	Option Jiel Ont Jies UM : 1945 Jen Option	Ang Nov Pale Jog Nov His
by local media reports	post-election week with little	ASDA 110 16 12'0 16 1 4 5 Grand Met	420 25 30% At 12 18 22%
e city government had	change after the BSE 30-share	PITE 120 4 7 8% 5 8 8% (*434)	460 8 164 224 36 301 444
d to move major	index closed 29.12 higher at	Alind Decreecy 480 30% 48 BB% 6% 6% 6% 17% Commones (*484) 500 6% 23 26 20 27 37% (*48254)	460 22% 30% 36% 11% 16% 21%
ges and finance institu-	3.729.74 in sluggish trade, with	Aygii 330 30 304 454 24 75 114 Henson	800 6 13 30 36% AL 42% 180 18 13% 16% 5 8% 12
to the Lujiazui finance	market players awaiting the	(*355) 360 1014 214 274 18 18 24 PH (*355)	180 18 13% 16% 8 8% 12 200 2% 8 8% 18 21% 24%
rade district of the	formation of a new govern-	DAY 400 31 404 444 34 04 19 January.	128 T19 189 189 7 84 10
New Area. The B share	ment today.	Bees, 800 24 48% 55% 16 25% 55% (*182)	200 3% 7% 18% 18% 21 21%
rose 0.446 to 48,988.	TAIPEI rose 1.25 per cent as	(*514) 880 74 234 21 45 54 63 Lactrole	180 20 22 28 7 10 1374 . 200 8 13 17 176 20% 24
UL put on a technical	a newspaper reported that Mor-	20059 800 15% 30 25% 15% 34 20% (*185%) (*608%) 650 1% 11% 18 55 58 62 Lucae inde	240 18% 22% III 15% 18 17
d, but brokers said that	gan Stanley was recommend-	Brit Akreeys 550 17 81 49 16 24 274 (*245)	260 6% 14% 16% 27 30 28%
ent was still depressed	ing investors to invest in Tai-	(560%) 600 3 11% 18% 52% 56 56 P& C	BOD 48% 47 31% 10 21 23
e margin accounts and	wanese stocks. The weighted	BP 550 1994 3094 30 1094 18 244 (*524) (*555) 600 24 1094 1714 4894 48 54 Palention	IND 1674 214 276 334 486 39 IVE 269 26
nic worries.	index gained 73.90 to 5,966.82 in	27 Harth Stands 160 11% 12% 18 2% 7 9% (*190)	191 9 10
composite stock index	turnover of T\$50.9bm. A spokes-	[*170] 180 1% 8% 7% 17% 19 21% Prudential Cable 5 Wire 420 28% 38 48% 7 14 20% page 23%	480 2a 22 40% 11 19 22%
4.48 higher at 903.04 with	woman for Morgan Stanley in	match and the state of the state of the state of	460 67 ₁ 14 229 35 42 46 1
ing Electronics up	London said that the report	Const Union 900 214 31% 40% 13% 27 32 Printally	1050 19 35 49 30 545 724
900 to a limit-high	had been published early in	(*605) 660 4 1294 23 469 594 63 Recland	380 3814 3314 41 89- 171: 21
,000 on bargain hunting.	May.	(*841) 850 34 37% 85 75 40 55 (*40114)	420 12 19 25% 25% 35% 35% 220 16% 21% 28 7 12 14%
NEY saw excitement	MANILA fell 1 per cent as	12505 (SE 1800 344 FE SE 12 SEE 44 AN ANNEX	280 1814 2174 28 7 12 14% 240 814 129 17 1814 25 259
speculative stocks with	many investors sold on news of	(*18214) 1000 28 46th 76th 36th 58 87th (*225) ICI 850 27 44 88 19th 34th 42 Teleco	300 16 274 109 169 18
l Engine, for instance,	a rise in first quarter GNP. The composite index lost 36.04 to	(#524) 900 814 25 37 904 (54 714 (*3014)	330 41 19 144 30 344 384
ng 28 cents or 29 per o A\$1.24 as foreign insti-	3.250.26, off a low of 3.245.27.	Land Secur 600 45 43 494 4 694 149 Utd Blacutte (643) 660 44 18 244 31 344 28 (*215)	200 25 28'4 31'4 UF 55 65 65 220 12 16'4 28'4 10'4 15 17
s caught up with the	Turnover was 3.2bn pesos.	Marks & S 460 14% 28 33 64 14% 19% Only	Ang Hart - Ang Hart -
ght performance of its	JAKARTA saw Telekom fall	(*4829) 500 E 10 184 574 394 424	230 14% 10% - 9% 15% -
quoted on the New York	Rp25 to Rp3,550 after reporting	National 800 36 40% to 8 20% 27% Westerns (*622%) 860 10% 22 36 33% 48% 54 (*832)	380 3 7 - 39 366 -
exchange. Earlier this	a 1.4 per cent rise in operating	Reuners 700 stry wa still the 18 254 Option	Jima Sap Das Jun Sap Dad
Orbital, which develops	revenue. The JSX index rose	("74914) 780 28 80 83h 23 374 46 Abbey Hatil Royal Insta, 420 18% 28 38h, 12 22h 274 Abbey Hatil	850 12h 28 41 8 315 315
al combustion engine	0.22 to 617.46. Volume was	(*423%) 460 B 13 21% 38% 47 31 (*252%)	600 T III 20% 47% 67% 62% 140 17% 24% 27 % 4 RM
ology, said that it had	57.18m shares, with turnover	(*385) 420 34 IR 18 20 396 34 (*156)	160 49- 13 169- 7 11 149-
ed a licence for recre-	valued at Rp151.38bn.	Street Traces, 900 32th 48% 55% 10% III 36% Barclays	79) 144 284 44 119 209 309
l vehicles. All Ordinaries index	• Kuala Lumpur, Singapore	(*918*4) 950 8% 22 38% 38% 40 52 (*751) Sadd Beam 838 23% 40 - 10 22 - Blue Circle	800 14 18 264 49 824 87 330 274 334 384 1 8 135
12.8 to 2.266.1 in turn-	and Bangkok were all closed	(1856%) 827 10% 28 - 38 47% - (1350%)	360 4 154 224 12h 224 27h
f A\$1.2bn.	for holidays.	Sad Chartel 600 574; 78 M 78 20 574 British 648 (1640/4) 650 284; 48 80 324 524 617; (1884)	180 12% 18% 23% 2 5 10% 200 2 10 14 11% 111 21
		("S40%) 650 28% 28 88 32% 52% 61% (*189%) Thanses Wir 550 43 46 50 9% 15 22 Decom	500 11% 28 30 10h 29% 30
		(*55114) 600 10% 20 20 25 35% 47% (*500%) Zenecz 1250 54% 52% 121 29 54% 67% (#500%)	560 h 8h 19 45% 59 615
		(*1370) 1400 29% 64 84 54% 79 91% (*1770)	180 1ML 234 28 - 2 34 180 4 10 12 4 85 17
o, and Standard & Poor's. The and I Securities Ltd. was a co-founder	ces are compiled by FT-SE International and of the Indices.	Cipación Jac Del - Jul Del - LloydsTSB	292 22% %
		Courteeside: 420 1444 38 = 147 20 = (*3129) (*4329) 480 2 11 = 43 459 = (contro	202 4 114 180 8h 134 18 1 6 74 1
S US Pound	1896 DOLLAR INDEX Local Year	PowerGest 500 18% 20 = 17 26 - (*187)	200 % 414 8 13 17 1814
Doller Sterling Yen	DM Currency 52 week 52 week ago	(*514%) 550 1 11% - 54 57% - Next Power Streetweet 300 22 31% - 3 85 - months	500 25% 32 31 4 32% 37
i index index index in	index High Low (approx)	Storetouse 300 22 31% - 3 8% - C520% (321%) 330 5% 15% - 17% 22% - Cremon	590 2h, 9% 18% 31% 74 75 240 to 19 28% 0 8% 11
208.18 203.14 143.10	167.24 173,14 212.18 162.68 167.67	Tradalger 50 1 TV = 1/2 UN - (*24574)	260 2 94 17 13 204 254
	153,48 HJ. 10 199,28 165,11 197,01 168,03 163,05 215,81 185,06 197,05	(*50%) 80 9% 9% - Reference Option Juli Det. Reb Jel Oct Feb morten	200 18 24 24% % 9 TI
	168.03 169.05 215.81 186.06 197.05 135.78 310.00 171.06 123.97 134.72	(210)	229 5 11% Wh 6 10 22%
	131.29 162.4E 164.66 134.14 141.0E	Ronglisher 600 20 00% mon 17% 22% 30% Scot Power (1811%) 650 57% 18% 38% 41% 50 57% (1317%)	300 21 28 32 1½ 10 12 370 = 124 175 15 27 285
294.49 287.38 202.43	286,59 239,12 306,17 275,65 284,74 153,97 191,29 276,11 171,73 213,38	Options and Get Bec and Oct Dec Seers	90 10% 1 2% 4
	53,97	Unifered 1156 83 87% 99 4% 14 18% (*94%)	100 1 4 5% 6% 7% 9
	734.43 134.43 174.38 153.83 155.98	(*1198%) 1300 28 53% 66 NF 31 36% Termas	110 10 15 17 1 4 7
488.04 427.45 801.10	951.91 435.20 4\$1.19 348.81 362.65	Ang Nov Jas Aug Nov Jas (*119)	120 3% 9% 13 4% 8% 12 1700 1031/3 141% 172% 4% 42 56
277,45 270,75 190,72 1 82,99 80,98 57,04	222,90 250.40 280.08 226.91 228,96 86,67 98.51 N.E. 67.22 78.14		1800 354 824 119 321 B41 1014
	124.28 106.33 164.68 137.75 154.33	Vindedicate 240 29 30% 32% 5% 17% 14 Torritoria	240 17 22% 25% % 6% 5%
554.87 541.48 BB1/41 4	145.77 534.53 585.09 425.77 \$40.02	(2559) NO 114 184 224 14 N 234 (2559)	350 4 1944 15 7 17 18%
	38,30 10468,70 1325.65 791.99 832,15 36,92 232,76 295,86 245,79 249,69	Option Aug Nor Feb Aug Nor Feb Option	Josep – Jun Sep -
] 294.90 297.77 202.71 2 78.50 76.60 53.96	63.07 60.77 85.48 76.26 m.m3	BTR 280 12% 16% 20% 8 13 15 Farm	3/3 31 35% 16 -
248.70 242.69 170.96	99.80 222.97 255.75 221.17 224.46	(*281) 300 414 814 12 204 26 27 (*374) Brit Aero 850 644 81 8814 144 26 32 (***********************************	373 5% 12% = 2 7 -
417.45 407.37 298.95	25.37 271.61 465.21 355.01 359.00	(1889 b) IIII 34h 92h 71h 35 47h 544	<u> </u>
	286,08 341,24 437.76 338.91 343.98 42.52 173,64 179.85 145.15 147.12	Birt Telepoon 200 314 Still Still 64 64 64 14 Fisons	267 5 14 1
	779.06 350.04 356.08 256.60 259.75	(*358) 350 111 15½ 21 20% 24% 29 (*265) Cadbury Sch 480 38% 47 68 8 14% 17%	250 15 (
229.36 223.82 157.86 1	84.27 180.92 252.34 191.24 198.86		security price. Premiums shown are
	43.44 175.75 183.95 146.74 166.52	GEC 360 20 M STW 10% 15 III May 31 Total	contracts, Equity and Index cotions:
	186,92 227.05 237.45 210.29 214.64 18.54 272.02 276.24 214.29 214.29	(*372) 300 6 11 18 294 329 359 40,880 Cales	: 15,703 Puls. 25,177
	99.72 208.99 252.40 195.45 185.45	ET COLD MINES WEEK	
	88.72 208.99 252.40 198.83 188.62 67.08 185.02 211.35 197.00 188.62	FT GOLD MINES INDEX	

(2) 200 9	14 15	24 2	מבנ מו	40.880 C	BBC 15,FU3 1	UE. 20,1	111	
T GOLD	MINE	S 1	NDE	X				
			May 29		Gross ally yield %	P/E ratio		eek Loo
d Mines tadex (31) Regional judices	2342.50	+0.7	2326.07	1911.48	1.31		2520.73	1722,93
-173	1125.57	-0.0	3124 81	2584 18	231	42 K7	2553.88	2272 74

 272.02
 285.46
 188.99
 218.54
 272.02
 26.24
 214.29
 214.29

 248.60
 242.80
 170.89
 198.72
 208.99
 252.40
 198.49
 186.49

 207.97
 202.96
 142.96
 167.08
 185.02
 211.35
 187.00
 188.62

 298.08
 204.80
 238.48
 234.02
 302.70
 248.36
 252.09

 168.10
 164.04
 115.55
 135.05
 117.72
 177.01
 148.36
 165.37

 184.61
 180.15
 126.90
 148.31
 143.21
 190.57
 155.51
 174.00

 265.28
 258.88
 182.36
 174.32
 199.83
 192.87
 186.29
 170.14

 282.19
 254.13
 246.64
 268.33
 200.75
 209.75

 189.50
 184.92
 130.26
 152.24
 159.93
 192.87
 186.29
 170.14

 292.19
 256.11
 200.85
 234.74
 251.53
 296.68
 243.59
 255.01

 <tr Atrica (13) Australasia (6) North America (12) 3125 57 +0.0 3124.81 2584.18 231 2603.40 -0.7 2620.91 2263 59 2.53 2083.63 +1.3 2067.76 1677 24 0.55 28-25 2927-34 2098.51 74.09 2188.39 1488.94 Copyright, The Angrocal Times Limited 1996. "FT Gold Minos Index" to a tradema

医内壁法 海绵的 化硫甲基磺胺 化氯化化物 经工业人工 化二烷 电压电

New investment fund buying lifts Nikkei BOMBAY ended a volatile

Tolgo

Nine new investment trust lunds worth Y347bn bought into the market and the Nikkel average closed marginally higher, writes Emiko Terazono in Tokuo.

The 225 index rose 69.84 to 21,956.19, briefly breaching the 22,000 level the 22,000 level at a day's high of 22,051.75, against a low of 21,887.16. Volume remained flat at

409m shares. The Topix index of all first section stocks rose 7.18 to 1,680.57 and the Nikkei 300 gained 1.64 to 310.84. Advances led declines by 532 to 514 with 165 unchanged. In London, the ISE/Nikkel 50

index was up 2.49 at 1,465.73. Thursday's Wall Street rally in high technology stocks encouraged buying of the sector, which had faced selling over the past few days on fears of falling semiconductor demand. Hitachi rose Y11 to Y1,000, Fujitsu Y5 to Y980 and Kyocera Y100 to Y7,400.

In steels and shipbuilders, Kobe Steel rose Y3 to Y298 and Kawasaki Heavy Industries Y11 to Y565. But oil-related

REGIONAL MARKETS Figures in parentheses

Belgium (27) . Brazii (26)..... Canedo (99) ...

France (97).

Hong Kong (59) reland (16)....... Italy (59)

Japan (481) Malayela (107) ... Maxico (18)

Venuey (35)

FT/S&P ACTUARIES WORLD INDICES

Dollar Index

.191.70

...82.57

249.94

THE WEEK'S CHA	MOES
	% Change
Hong Kong	+2.2
Manifa	+1.1
Tokyo	+0.7
Sychney	+0.5
Teipel	+0.5
Bombay	+0.4
Shanohai B	-0.3

stocks were lower on a decline in crude oil prices, Shows Shell Sekiyu falling Y10 to Y1,140, and Tonen Y10 to Y1,600. In Osaka, the OSE average rose 59.09 to 23,314.88 in volume of 26.6m shares.

Pound Starting Index

201.90

150.35 532.13 1294.59 285.81 75.77 241.55 408.02 343.97 170.31 335.41 222.94 173.97 225.46 264.22

201.90 142.15 184.38 115.72 159.07 112.00 284.79 200.51 187.34 131.90 188.41 132.65 161.80 113.70 421.56 296.58 79.77 56.18 150.35 105.88

-12 03 -0.1 0.7 0.8 0.1 1.2 0.4 -0.1 -0.5 -0.5 0.4

0.5 -0.1 0.5 -0.1 0.0 -0.8 0.0 0.5 0.9

0.5 241.45 0.2 201.32 0.2 288.55 0.4 163.08 0.3 171.91 0.6 257.70 0.1 183.33 -0.4 281.22 0.3 180.21 0.4 204.27 0.4 237.08

The overnight rebound in US stocks and bonds took HONG KONG's Hang Seng index up 107.66 to 11,264.73.

Cheung Kong rose HK\$1 to HK\$57.25, and its Hutchison associate 70 cents to HK\$49.70 as they continued to benefit from favourable government terms for their Hilton Hotel redevelopment in the prime Central business district. SHANGHAI saw rises in

| 139.85 | 153.80 | 171.88 | 139.89 | 152.71 | 152.82 | 142.15 | 166.48 | 162.39 | 152.72 | 131.53 | 312.97 | 112.90 | 131.17 | 163.18 | 200.51 | 234.84 | 237.82 | 131.90 | 154.48 | 162.52 | 132.65 | 155.87 | 158.72 | 131.70 | 133.18 | 133.18 | 236.80 | 347.83 | 433.47 | 169.58 | 222.05 | 249.32 | 66.18 | 65.76 | 65.55 | 105.89 | 223.99 | 105.86 | 378.87 | 443.75 | 536.23 | 236.92 | 231.58 | 233.94 | 233.98 | 231.58 | 233.94 | 233.98 | 231.58 | 233.94 | 231.58 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.59 | 231.

170.00 159.11 141.74 166.01 203.18 237.97 114.62 134.48 125.65 147.83

203.18 237.97 114.62 134.48 125.55 147.63 181.43 212.50 128.08 151.18 197.99 231.90 126.88 148.69 143.82 136.45

shares of Pudong companies. boosted by local media reports that the city government had decided to move major exchanges and finance institutions to the Lujiazui finance and trade district of the Pudong New Area. The B share

index rose 0.446 to 48.988. SEOUL put on a technical rebound, but brokers said that sentiment was still depressed by huge margin accounts and economic worries. The composite stock index

ended 4.48 higher at 903.04 with Samsung Electronics up Won3,900 to a limit-high Won69,000 on bargain hunting. SYDNEY saw excitement among speculative stocks with Orbital Engine, for instance, jumping 28 cents or 29 per cent, to A\$1.24 as foreign insti-tutions caught up with the overnight performance of its ADR's quoted on the New York stock exchange. Earlier this

week Orbital, which develops internal combustion engine technology, said that it had awarded a licence for recreational vehicles.

over of A\$1.2bn.

Gross Div. Yleid

The FT/S&P Actuaries World Indices are owned by FT-SE international Limited, Goldman, Sache & Co. and Standard & Poor's. The Indices are compiled by FT-SE international Goldman Sects in confunction with the Faculty of Actuaries and the Institute of Actuaries. NatiVest Securities Ltd. was a co-founder of the Indices.

Local % chg on day

0.5

-0.6 -0.4 -0.5 -0.5 -0.5 -0.3 -0.5 -0.5

210.10

189.82 263.08 117.23

134.48 117.23 147.25 142.47 212.50 268.07 151.18 135.95 231.90 250.86 148.60 147.00 168.45 178.06 168.45 232.95

E.15 3.06 2.26 1.17 2.06 2.16 2.48 3.04 2.06 1.91 2.51

0.4 208.20 145.18 170.04 183.42 0.0 2.10 212.57 207.43 148.12 170,77 163.60 214.70 183.83 186.36

57.18m shares, with turnover valued at Rp151.28bn. • Kuala Lumpur, Singapore The All Ordinaries index and Bangkok were all closed for holidays. added 12.8 to 2,266.1 in turn-

			•						L	·C	70)()	N
LIFF	E	EC	UI	ΤY	0	PΤ	10	NS			Ė				ļ
Option		#	Carin Cert	in	P	Pain 1)/2		Dyllon		m	Cale	Rin	Ang	Parta Mor	_
AEDA	110	18	12%	15	1	4	á	Grand Met	420	28	366	Ä1	12	16	2
TITE	120	4	7	84	5	- 6	84	(*434)	460		18%	22%	36	38%	4
Alimi Domecu		30h	4		419	94	17%	GUIDAGE	460	224	304	381	1114	1814	2
L-62-0	300	84	23	- 31	20	27	37%	(*4651/4)	300		13	8.3	3614	40	4
Arygli	330	39	384	474	214	7%	114	Hereson	180	18	13%	16%		Blé	_
(*355)	360	10%	214	274	- 10	19	24	(*186%)	200	2%		214	18	21%	2
BAA	400	31	40%	464	34	<u> </u>	13	Laumo	179	11%	18%	1994	7	956	-
C48834)	800	.7	18	-36	21	27	314	1782	200	3%	7%	184	TEN	21	2
Bass.	<u></u>	25	494	B	18	25%	35h	Ladinole	180	20	22	28	7	10	ī
(1814)	80	74	25	-31	-46	14	- 63	(*1894)	200	7	13	77	176	20%	-
30019	800	154	30	27)	189	24	30%	Lercon locin	240	18%	22%	- 55	15%	18	
(*608%)	5	1%	115	- 18	35	- 5	82	(245)	200	Blo.	144	16%	27	30	2
Brit Akways	50	17	31	18%	15	24	274		100	48%		31%	10	21	-
(190%)	800		11%	100	10%	58 18		PAG			47				
EP.	500	1994	30%	17%		10	244 54	(*529		16%	214	Σľέ	33%	411	
(*553) Britsk Smai	180	24	10%	18	484	7	94	Pakington	ITE	2014	-	-	29	-	
21022 2000 [*170]	180	1%	18 T	7%	179	19	21%	€.180 l	191	•	_		Ю	_	_
i 1701 Dable & Who			-	400	"7	14	200	Proderoial	490	2	22	40%	11	19	7
2444) (*444)	45	25% 7%	18%	200	zá	34%	41	P42741	460	87	18	224	35	42	-
Zonna Vision		214	31%	40	1334	27	2	RTZ	100	4	-	74	24	374	
1905)	860	-7	1254	77	46%	5%	ត	C100430	1000	10	7	4	40	14.	7
gistali entrii	100	i	127	21%	84	34%	34	Redland	390	367	331	41	8%	1775	
*841)		- 54	37h	S IS	25	- 4	3	(*401 W)	420	12	18	20%	35	334	38
HSSEC 75s		94%	77	17	15	36%	4	Reits-Royce	744	15%	21%	28	7	12	14
	1000	- 3	404	700	200	3	87%	(*225)	240	84	124	17	184	25	2
Ci Ci	20	7	4	141	19%	20%	42	Telico	300	15		274	10%	16%	
T852VB	900	854	- 12	- 2	50%	65%	71%	(*301%)	336	4%	10	14%	75	144	3
Land Secur	800	43	- 5	48%	-	8%	148	Utd Blacutin	200	- 28	284	21%	19	面色	-
CB43)	-	414	1	24%	31	34%	39	1219	220	12	184	20%	10%	15	
Narks & S	400	14%	28	22	8%	14%	19%	Circlins		in.	New	-	ÁM	No.	
(*462%)	500		18	18%	3714	394	25	-4	-	_		_		_	_
National	m	26	40%		В	204	277	Williams	330	14%		-	94	1502	
1622141	BÓ	1014	1	- 25	33%	48%	54	(*332)	300	3	7	-	.39	344	
Reuners	700	SET:	100	9314	84	18	201	Option			Sap	Dec	Jun	\$40	b
(*74914)	700	20	80	63h	23	374	48	Cabon Indi	10	120-	_	41	9	34%	3
Royal Insta	420	18%	28	30%	12	237	274	Abbey Hati	800		- m		471:	E716	8
(*423%)	450	В	13	21%	30%	- 47	31	(*552%)		Ţ	_	27h			_
Bainsbury	380	144	26	32	7	12%	19	Amstrad	140	174	26%		h	.4	Ţ
(*365)	420	34	IR	18	26	39%	34	(*156)	160	494	13	1672	-	_11	1
Street Training	950	32%	48%	55%	700	23	300	Banciays.	750	14%	25%	4	115	207	3
(*918Y)	950	812	22	314	304	- 49	52	(*751)	800	14	- 52	244	-	85%	
Self Beari	835	23%	-	-	10	22	-	Stue Circle	330	274	324	384	1		13
(49697)	827	10%	7	-	36	474		(,320,4)	360	_4	154	224	12%	224	Z
Stri. Chartel	FTO	57%	78	- 14	73	3Ř	37%	Retrich Can	180	12%	184	28%	- 3	Б.	10

LONDON RECENT MOUES: EQUITIES Low Block

101 ABA Trust
100 Abertonth Smir C
43 Biocompatible W
118 TCA Coults
35 TErrisch
188 TEpe Multimedia
91 Gertmore Select
60 Theroules Prop
50 INVESCO E & I C
111 Independent Bry
125 Luminor
220 Madem Group
176 TAMberry Group
180 TPress Rail
265 Railtrack
103 Recognition Bys
4 TRefer
95 Renessance US G
95 Schroder Vacture
95 Taiwan Inv Tat C
74 Thomas Potre
43 Tore Hoskins
97 Invited Selection of all - F.P. - NUCHTS OFFERS ¹₄pm 29pm 2¹2pm 4pm 26pm ³ерт 40рт 6рт 4рт 26рт 3₄pm 40pm 16pm 6pm

530

867

6 220 55 34 45 21/6 13/6 13/6 13/6 7/6 12/6 FINANCIAL TIMES EQUITY INDICES May 31 May 30 May 29 May 28 May 24 Yr ago "High 2791.8 2790.3 2806.9 2793.6 2785.5 2529.1 2885.2 2696.7 3.99 3.97 16.16 16.28 15.95 16.06 3.98 16.22 16.01 3.99 18.19 15.97 4 25 15.77 15.53 Open 9.00 10.00 11.00 12.00 13.00 14.00 15.00 16.00 High Low 2795.6 2803.7 2812.3 2809.8 2809.8 2810.6 2805.5 2798.2 2794 9 2812.8 2789.7 May 31 May 30 May 29 May 26 May 24 Yr ogo

SEAO bargains Equity turnover (Em)† Equity bargains† Shares traded (mil)† 33,026 32,007 33,638 - 1708 8 2016.7 - 37,601 41,601 - 580.3 640.2 33,935 1306,2 39,912 474,3

May 31 May 30 May 29 May 28 May 24 Yr ago "High "Low 1140.40 1095.40 1096.20 1107.10 1094.20 - 1094.50 965.68

TRADEPOINT INVESTMENT EXCHANGE Daily turnover for 31/05/96

Value: £165,375

Morid Ex. UK (2161) World Ex. UK (2161)

LONDON STOCK EXCHANGE: Dealings

Details of business done shown below have been taken with consent from last Thursday's Stock Exchange Official List and should not be

Services.

Unless otherwise indicated prices are in pence. The prices are those at which the business was done in the 24 hours up to 5 pm on Thursday and settled through the Stock Exchange Talisman system, they are not in order of execution but in ascending order which denotes the day's highest and lowest

Official List the latest recorded business in the three provious days is given # Bargains et special prices. # Bargains done the previous day.

British Funds, etc Transpry 15-le% 5tk 2000/03 - £121} Corporation and County

UK Public Boards Clydeport Ld 4% lerd Sik - 2404 Port of London Australiay 31₂% leik 49499 -1391₂ (2414)98) Souther Agric Sec Corp 13% Deb Sit 97/99 - £104[]

Foreign Stocks, Bonds, etc-(coupons payable in London) Hungary, Stepublic oil 71-2% Stig Bidghand Lon 1988 Sett - 540 (20My,63) Abby National Staring Capital PLCS-Lts Subord Glid Bid 2004(6):Stept - 5:1001 Abby National Traceury Serve PLC 096 Cad Na 1998(6):21000,10000,100000 bibley Nedocel Treesury Servs PLC 6% Ged Nas 2004(BirFF10000,100000) - FR97%

Abbey National Treasury Sens PLC 7-125% Gtd Nts 1998@r1000,10000,100000 -£100,226 Abbay Nestonal Treasury Serve PLC 7.18546 Gtd Nts 2001 - 597/2 (29/4)861 Abbay Nestonal Treasury Serve PLC 846 Ctd Eds 2003 Gtr E Var) - 599,15

BAA PLC 51/6 Cav Bon 2008 (Regulation) -2104 12 5 14 2104 1/2 1/2 1/2
8A.T. International Finance PLC 8.5% Gld
Bds 2005 (Bds to 9x5) - 5981/4
Benglok Bank PLC 3.25% Subord Cnv Bds
200489/31007 - 312 1/2 1/2 5984/4/2
Bank PLC 104/6 Sen Sub Bds
1937(B-C1000a1000) - 21/41/4/6
Bradford & Bingbay Bushing SociatyColland
Fig. 184 5000(1/2) Must 1000 - 23/4
2444/88

(244A/SG) British Gen PLO 7²176 Sdp 2000 (Br £ Ver) -1382² British Gen PLO S²276 Sdn 2003 (Br £ Ver) hittish Land Go PLC 8.47876 Bdm 2023 (Br 8 Var) - 58912 (2444/96) hittish Telecommunications PLC 7476 Bds 2003 (Br 8 Var) - 595.2 (2844/96)

2003 (Br E Var) - 295.2 (2844)498 British Teleconsmunications PLC Relyth Bids British Teleconsmunications PLC Relyth Bids BLOGS Chemis - 2004.2004 (British Bids 2018 (Br E Var) - 2004. (244)498 Burmain Castrol Capitalijersey) Lei 9/2% Chv Cap Bids 2006 (Figg 21000) - Chelle 1/2 M Chv Cap Bids 2006 (Brig 21000) - Chelle 1/2 M Chv Cap Bids 2006 (Brig 21000) - Chelle 1/2 M Chv Cap Bids 2006 (Brig 21000) - Chelle 1/2 M Chv Cap Bids 2006 (Brig 21000) - Chelle 1/2 M Christmann & Gisuossier PLC 11 1/2 M Parp.Subord Bids (Pag 210000) - £121 1/2 2004/303

Participation of the PLC 10% Bell 2021(AST 1000 CONTROL OF THE PLC 10% Bell 2021(AST 1000 CONTROL OF THE 1998 (Br £ Var) - 2991; 2994;499 Course Group Capital PLC 81/6 Cry Ged Side 2022 (Br2300042000) - [131/2 (B44/96)] Bell 2022 (B73000420000) - [131/2 (B44/96)] Course Group Capital PLC 81/6 Cry Ged Side 2022 (B73000420000) - [131/2 (B44/96)] Course Group Capital PLC 81/6 Cry Ged Side 2022 (B73000420000) - [131/2 (B44/96)] Course Group Capital PLC 81/6 Cry Ged Side 2022 (B73000420000) - [131/2 (B44/96)] Course Group Capital PLC 81/6 Cry Ged Side 2022 (B73000420000) - [131/2 (B44/96)] Course Group Capital PLC 81/6 Cry Ged Side 2022 (B73000420000) - [131/2 (B44/96)] Course Group Capital PLC 81/6 Cry Ged Side 2022 (B73000420000) - [131/2 (B44/96)] Course Group Capital PLC 81/6 Cry Ged Side 2022 (B73000420000) - [131/2 (B44/96)] Course Group Capital PLC 81/6 Cry Ged Side 2022 (B73000420000) - [131/2 (B44/96)] Course Group Capital PLC 81/6 Cry Ged Side 2022 (B73000420000) - [131/2 (B44/96)] Course Group Capital PLC 81/6 Cry Ged Side 2022 (B73000420000) - [131/2 (B44/96)] Course Group Capital PLC 81/6 Cry Ged Side 2022 (B73000420000) - [131/2 (B44/96)] Course Group Capital PLC 81/6 Cry Ged Side 2022 (B73000420000) - [131/2 (B44/96)] Course Group Capital PLC 81/6 Cry Ged Side 2022 (B44/96) Course Group Capital PLC 81/6 Cry Ged Side 2022 (B44/96) Course Group Capital PLC 81/6 Cry Ged Side 2022 (B44/96) Course Group Capital PLC 81/6 Cry Ged Side 2022 (B44/96) Course Group Capital PLC 81/6 Cry Ged Side 2022 (B44/96) Course Group Capital PLC 81/6 Cry Ged Side 2022 (B44/96) Course Group Capital PLC 81/6 Cry Ged Side 2022 (B44/96) Course Group Capital PLC 81/6 Cry Group Capital dinana AS 74,56 Nos 1997 (Br SO Var)

Baponinana AS 71,56 Nos 1997 (Br 90 Var. - \$C102\(^1\)
E Exterprise Firence PLC 84,96 (Rd Exch Bds 2006 (Figs 25000) - \$1003\(^1\)
E Enterprise Firence PLC 84,56 (Bd Exch Bds 2006(87050008100000) - \$1004\(^1\)

(2014/98)
PolandFlagubb of 104,96 Bda
18878-51000410000 - 5102 (244,98)
Glass Welcome P.C. 84,96 Bda 2006(67)
Vand - 51011 (244,948)
Helban Bukching Society 94,97 Bub Bda 2021
BF C 10001 (2007) - 5894 (244,948)
Helban Bukching Society 104,98 Atta
189719-51000410003 - 5102,659
Helban Bukching Society PRM 1989(Br.C10000&10000) - £100,05¢

Heliton Building Society Colleged Flog Rise Nee 2005 (Br E Vert - CET*s (2484)66) Helmon PLC 91-96 Crn Subcret 2006 (Br EVert) - C100.2 .41 (2564)961 ijstro-Guebec 9% Debe Sem GB 21/4/97 (Br\$C100085000) - \$C102,65 (2814/95)

Land Securities P.C. 61,54 Chr Best 2002(BrC1000) - 2100 (26Ny99)
Lloyes Bank P.C. 67,95 Subord Best 2003 (Br £ Ver) - 21011, (28Ny99)
Lloyes Bank P.C. 61,95 Subord Best 2003 (Br £ Ver) - 21011, (28Ny99)
Lloyes Bank P.C. 61,95 Subord Senie Nts 1988(BrC10000) - 21041, (28Ne)9)
Lloyes Bank P.C. 61,95 Subord Senie Nts 1988(BrC10000) - 2104, 10
Lloyes TSB Group P.C. 61,95 Subord Best 2005(Br £ 2005(BrCNe) - 2871, (28Ny99)
Landon Besthelly P.C. 81,95 Best 2005 (Br £ Ver) - 2884
London Besthelly P.C. 81,95 Best 2005 - 293 4 (28Ny99)
Landon Finance P.C. 896 CacCrwBest (28Ny99)
Landon Finance P.C. 896 CacCrwBest (28Ny99)
Landon Finance P.C. 896 CacCrwBest (28Ny99)

antho Finance PLC the Lasternoon PCMERS 1000 Annual 1000001 - Errolling PCMERS 1000 Annual 1000001 - Errolling PCMERS 1000001 - Errolling PCMERS 1000001 - Errolling PCMERS 10000 1000001 - ERROLLING PCMERS PCMERS 1000001 - ERROLLING ERROLLING 1000001 - ERROLLING 1000001 - ERROLLING ERROLLING 10000001 - ERROLLING ERR

(234/98) Moonal Westminster Benk P.C. 111/96 Und-SubNis C1000(Chrv to Priffs - C107/4) Internated Building Society 81/96 Sational Nis 2018 (Br C Virr) - 130/4, (254/98) Nier South Wates Traisany Corp Zer-oCpribes/2006(8):341000, 1000(6) 100000)

- \$10112 (28th/98)
Npcon Telegrant and Telephone Corps14 to
Atta 1987(8:510000; - 31031; g8lin/y88)
PCO France Ld 8% Chr Bels 2005
69-55000; - 510 - 510 db atta 2007
181:50008:100000; - 51045; g8th/y88;
Scottlet Articable France (FLC 8:5%)
Undated Subord Old Bds (8:5%)
L'Added Subord Old Bds (8:5%)
L'Added Subord Old Bds (8:5%) Nam Commercial PLC 3.25% Subord Criv Bids 2004 - \$126/2 128.55 striff-time Beachert Capital PLC 8/2%Gld Nas 2000(8-21000,100008100000) - 2101.9

NOS 22009971000, 100008100001 - ETUT. JE CHANGE CHANGE Finance (Johnsey) Ld 91/16 Chr. Cap Bots 2006 (Fing 11000) - 11001/2 (2004) (Finance Finance (Johnsey) Ld 91/16 Chr. Cap Fid-70069- 1200004000000 - Etu S. Finance Finance (Johnsey) Ld 91/16 Chr. Cap Fid-70069- 1200004000000 - Etu S. Finance Fid-2 (NAV) (Finance Fid-2 (

C1021s Thermes Water PLC 812% Christoprolities 2009(87C300850000) - £13712 8 Tokyo Gas Co Ld 5.5% Nes 1996(8/874mi) -898.32 59.38

104 55

United Kungdom 71-9% Bots 2000/865/9m) \$102.6 (2844)-86

Yangtong Manna Transport Corp 2% Bdg
2007/Pag \$1000) - \$117-0

Yangtong Manna Transport Corp 2% Bdg
2008/6 (Vasd - 1100/1701)

Yorkshire Beaching Goog PLC 81-9% Bdg
2008/6 (Vasd - 1100/1701)

Yorkshire Beaching Goog PLC 81-9% Bdg
2005/84/5Var) - \$291-6 (2849)-86

Abboy National PLC \$750m 6,85% Babons
Ns 17:1072005 - \$865 (2849)-86

Abboy National Transport Series PLC
PTE3.650m 1,5% Nos 8/11/86 - PE\$6.82

(2449)-86)

Volcey Neglored Treasury Serve PLC PTESSOOM 294 Ing 670,97 - PESS 27

(24M)469, Sets Finance Corporation \$200m 5, 125% No. 15,5/98 - \$29,65 99,7 Betts Finance Corporation \$200m 8.125% No. 15,5798 - \$29,85 99,7
Export Finance & Insurance Corp \$A75m 7%.
Export Finance & Insurance Corp \$A75m 7%.
Dath Iras 17,476 - \$489,78 (2444)60]
Finandifferpublic of \$500m 7% Bots \$8/107
Finandifferpublic of \$500m 7% Bots \$8/107
Finandifferpublic of \$500m 7% Bots \$8/107
Finandifferpublic of \$500m 7% Bots \$2/100m
Finance Research Corp \$A100m
Finance Finance Research Corp \$A100m
Finance Finance Finance Research Consumeration Finance Fi

Swedenfungden at 1500m 127m Date met 26-3/2001 - 150.00 palayer Sterling Issues by Overseas Borrowers

ESOTOWOYS

Anian Development Bank 10/4% Ln Six 2009(ag) - \$133.86 .68 (2844)99
European Investment Bank 9% Ln Six 3601 (freg) - \$105.87 .380 (2844)98
European Investment Bank 9% Ln Six 3601 (freg) - \$104.377 .380 (2844)98
European Investment Bank 10/2% Ln Six 2004(freg) - \$1134 (2844)98
European Investment Bank 10/3% Ln Six 2004(freg) - \$1134 (2844)98
European Investment Bank 11% Ln Six 2002(freg) - \$114 (2444)98
Inco Ln 10/4% LLS 2004(freg) - \$1266 Ln Six 2009 - \$118]
New Zesiand 11/4% Six 2008(freg) - \$180% (2844)98)

Listed Companies(excluding Investment Trusts)

ABF Investments PLC 51.2% Uto Ln 8th 87/ 2002 30p - 48/2 (2014)60) ABF Investments PLC 75/2 Uto Ln 8th 87/ MILE Boy - 46 23-86/0 ABH Cepter Flore 100/2 - 12/1 ABH Cepter Flore 100/2 - 12/1 Abbay National PLC 100/2 Non-Cum Stee-ing Pri - 100/2 Abardson Truct PLC A Wis to 8to for Out -90 (26My88) Almanders, Hidge PLC 61/2% Own Pri 51 - 81 (26My88)

lenon Group PLC 6.25p (Net) Car Cure Red Prf 10p - 86 PHY 109 - 89
Affed Domeou PLC ADR (1:1) - 87.89
Affed Domeou PLC 72;16 Une Ln Str, 95/89 5100)
Affed Domeou Financial Serva PLC 83;16
GECONGRIDOR BEGARDE TOOL
51005 12 COMANDO
51005 12 COMANDO Galdon-Short Personal Series PLG 54-76
Galdon-Short-Galdon

\$1 - 112 (34A/66) Alvie PLC 5.8% Crev Quan Non-Vig Red Pri \$1 - 82 4 American Brands Inc She of Com Bilk \$3,125 Aminex PLC Ord Int0.05 - 81 ig 8 6 7 8 Andrews Sylves Group PLC Cav Prt 50p - 86

Aminias PLC Ord ISBLES - 88 Ng 6 6 7 6
Andrews Syleas Group PLO Cry Pri Stip - 68
92 (29My98)
Anglian Water PLC Stig 1 Index-Linead Les
Suk 20064-7894 - PLST'g 8/9 9/9
Andre Property Hodge PLC 8/1296 1st Mag
Dide 38x 2020 - 1995/g
Austin Read Group PLC 816 Curr Pri P1 - 80
Automated Security/Hodge PLC 916 Crim Cure
Red Pri 1 - 58/2 (29My98)
Automated Products PLC 4,5814 Cure Pri P1 - 85
PRI 1 - 45 (24My98)
Automated Products PLC 4,5814 Cure Pri P1 - 85
PRI 1 - 45 (24My98)
Automated Products PLC 4,5814 Cure Pri P1 - 85
PRI 1 - 45 (24My98)
Automated Products PLC 916 Cure Pri P1 - 85
PRI 1 - 45 (24My98)
Automated Products PLC 916 Cure Pri P1 - 85
PRI 1 - 45 (24My98)
BOC Group PLC ADR (11) - 814/4
BOC Group PLC 12/1/6 Ure Ln 986 2912/97
- P124.6914
BOC Group PLC 12/1/6 Ure Ln 986 2912/97
- P124.6914

STR PLC ADR (4:1) - \$17.52 BZW Sndowment Fund Ld Reduc 1p - 131 2

10 - 131 2
Bank of International Control Lines NCP
80 81 81 A RT & ES Liquidation - R115 7
2004/90
Barner Hornes Group PLC Ont 10p - 70
(2004/90)
Barner Hornes Group PLC Ont 10p - 70
(2004/90)
Berchaye PLC ADR (4:1) - \$47
Berchaye Bank PLC 1296 Une Cap Ln 80k
2010 - 5121
Barchaye Bank PLC 1296 Une Cap Ln 80k
2010 - 712 (2004/90)
Bandon Group PLC 7:25p (Net) Car Pad Ptf
20p - 972 (2004/90)
Bandon Group PLC 7:25p (Net) Car Pad Ptf
2005 10p - 105 12
Barchaye Group PLC 7:25p (Net) Car Pad Ptf
2005 10p - 105 12
Bart & Waltaco Amold Trust PLC Ord 25p Bart & Cart Med Lett 60

255 t 44 See PLC ADR (2:1) - 825.62 Bes PLC 105/16 Deb 8th 2016 - 81147₆ I₆

COM-yell Base PLC 41-25 Line Ln Stk 62/97 - 158-b Base Treatments PLC 71-25 Line Ln Stk 62/ 97 - 2100/d Bahway PLC 5/5% Cuss Red Pt 2014 E1 -110 1₂ ANT20½ 1.1

Birningham Michires Building Soc 6½66
Perm Int Bearing Sha 5:000 - 556½
Blue Chief Industries PLC ADR (1:1) - 55.41
Socks Co PLC ADR (2:1) - 518.8 (29Myles)
Bradford & Bingley Building Society 17½6
Perm Int Bearing Sha 5:10000 - 5:195½
31½
Bradford & Bearing Sha 5:10000

314 Bradford & Bingley Building Scolety 12% Femi Int Bearry Stor 210007 - 21014 Brat Water Group FLC 65/16 An Non-Class Evident Florid Stor 111 - 2 Bridge Florid Stor Line Ln Stk 2008/97 - 2226 Bradford Lno Ln Stk 2008/97 - 2226 Bradford Lno Ln Stk 2008/97 - 2226

1124 States PLC 84:16 Cum int Pri 11 - 1112 (20MySt)
Bristol Water PLC 114/4 Fled Deb Six 2006 - 1116
Bristol Water PLC 114/4 Fled Deb Six 2006 - 1116
Bristol Water PLC II To Florida To Florida Translation of Water Haldon PLC Crd E1 - 113/4 Ferryl Int Bearing Sha 11000 - 113/6 Ferryl Int Bearing Sha 11000 - 113/6 Ferryl Britannia Building Society 13/6 Ferryl Pl Bearing Six 11000 - 113/6 JB Florida Arrenys PLC ADR (1011) - 110/6971 7

7
Pathir-American Tobacco Co Lei SW Curn Pri
Sit 21 - 54 5 (204,98)
Sitian-American Tobacco Co Lei SW Curn Pri
Sitian-American Tobacco Co Lei SW Curn
Curn Pri Sit 11 - 840
British Land Co PLC SW Subord Into Curv
Respirat

FT-SE ACTUARIES INDICES

The FT-SE Actuaries Share Indices are calculated by FT-SE international Limited in conjunction with the Feculty of Actuaries and the Institute of

© FT-SE International Limited 1996, All rights reserved. The FT-SE Actuaries Indices are calculated in accordance with a standard set of ground rules established by FT-SE international Limited in conjunction with the Faculty of Actuaries and the institute of Actuaries. "FT-SE" and "Footsie" are trademarks of the London Stock Exchange and The Financial Times Limited and are used by FT-SE international Limited under ticence. Auditor: The WM Company,

Constituent lists and additional information on all the FT-SE Interna-tional index products are available from: FT-SE International Limited, The Poclam, St Alphage House, 2 Fore Street, London, EC2Y 5DA. Tele-phone: (0171 UK or 44 171 International callers) 448 1810, Facsimile: (0171 UK or 44 171 International) 448 1834.

Section Commission of Commission - Series Categories in Commission of Commission - Series Categories and American American Categories and Categories and Categories and Categories and Categories and Categories and Categories Big She Estaton PLC 6,55%, City Curp Red Co. Jan Storman Seveland Place Holdings PLC 4¹/₁% lmd Deb Set - 5/3¹/₄ dets Patone PLC 6²/₄% Una Ln Set 2003/07 Costs Vyelle PLC 4/1/4 Una Ln 8at 2003/0 - 3860 Costs Vyelle PLC 4/9% Cum Prf 21 - 65 1₂

72 Constantial, & Co PLC Nature "A" Ord 20p -640 (29A466) Constantial Union PLC 8%% Cum lad Pyl 51 - 1022 3 % E1 - 102-y 3 -y
Commental Union PLC Shyti Cum levi Pr/
E1 - 104-i₁ ·j₂ ·j₄
Co-Compiles Baris PLC 8-2896 Non-Cum led
Pri C1 - 104-i₁ ·j₂ ·j₄
Cooper (Proteintd) PLC 8-2896 Non-Cum led
Cum Pri C10 - 68
Comment PLC ADR (2-1) - 28-290-48
Cooperates PLC ADR (2-1) - 28-290-48
Cooperates PLC ADR (1-1) - 28-290-7

Courts PLG 5.8% (Not) Cust Pd Rt - 16/2 (28M/96) Covering Building Society 12³s 16 Perm Inter-est Boaring She 21000 - 2125 kg 8 ³s (2914/98) Daily Medi & General Trust PLC Ord 50p = £17,15 (2814/98) 217,15 (28kly80) Degety PLG 4,85% Cure Prf 21 - 74 Deberbere PLG 74;% Use Ln Sik 20(2)07 2904

Colon PLG 3.1996 Cum 2nd Pot 21 - 45 Denocra PLC 5.28% Cars Car Red Fit Et :-99 (2914)60 SI (20M/pdg)
Davelopment Secs (meetingsta), PLC 11%
1st Mig Deb Six 2016 - 590 (20M/pdg)
Davelout PLC 041 (10) - 69
Dover Corp Com Six 31 - 530 (2 & 47%)
Durfop Pistrissions Ld 656 Cure Pri 21 - 67
20M/pdg

28M/486 Edos PLC Ord 10p - 895 7 55 6 60 El Oro Miningfill-spheretion Co PLC Ord 10p -Cro MiningsExploration Co PLC Ont 10p -810 (20My/90] Iones PLC 6-25p(Mg) Chr Clain Red Prf Sp linglish China Clays PLC ADR (2:1) -\$12.950 Pterprise OR PLC 175/16 Une Un SIX 2016 -£116.506 .556

2116.508.538
Siconomic LAUT inferonacionologopito di SA2.6
Siconomic

[284/40] hons PLC 65/4 Una Ln (Nr 2004/0) - 278 (244/40) CAMPAIS

Fame Group PLC Was to sub for Ord - 91 to
CRMyed)

Polices Group PLC Ord 5p - 66

Forturn & Hasson PLC Ord 50; 21 - 2194to

Principly Hotels PLC 776 City Quin Red Pri S1 Frogmere Estates PLC 13.85% 1st Mag Deb Sit 2000/03 - C100 2004-049

Ski 200,03 - 5:00 (20a,60) Ski 200,03 - 5:00 (20a,60) Ski PLC ADR ((17) - \$16 (24a,60) Ski Grad Nordic Ld She DK100 - DK518¢ LSV 6.24020¢ Sensed Accident PLC 7's % Own brid Pri El - 951, 8 ½ 2 Ski 4 ½ 3 Galletina Gallet ten PLG 8% Com Prf Rt -

67
Greenalis Group PLC 896 Cuss Pyf S1 - 102
Gesenalis Group PLC 896 St St Uns Lis 986 SS6 (2844)66
Oterminis Group PLC 796 Cow Bubord Side
SCOT (Reg) - 5725 6 8
Greenalis Group PLC 776 Cow Bubord Side
SCOT (891 - 51274) (2444)60
Gelmann PLC ADR 5517 - 5354, 465 7.16
HSSC Hidge PLC Ord 8710 61ong Kong
Reg) - 871 (6 JB 1185 32168 J7)6267
SS6827 - 5851 .55827 .5651 HSBC Hidge PLC 11.58% Subard Bids 2002 (Fingl - £1137₂ % Pisitics Building Society #1/16 Perm let Base-ing Bis C00000 - Still Hellins Society 12% Perm int Beser-ing Stis 21 play 550000 - 5124 2394/e8) Hallow PLC 11% Curv Pri X 1 - 188 Haroly & Hismons PLC Ont 8p - 305 Haston Inc Stie of Com 8th 80.50 - \$37% (20%)/e8)

(2514/96) Hercules Inc. She of Com Stit of HETV - SEE & (294/96) Badown Hogs PLC ADRICT) - \$11.88 Housing Francis Corporation La 7% Deb 48 2009 - 2794 MF PLC Stytk Lins Le 30; 2001/06 - 278 58 Histologen Fund NY Ord PLCOT - \$13.99 iosinad Group PLC Cev Cum Red Pst 20p -

tible Tip PLC Ond 1600.10 - 182.8283302 2.64 p 260 2 UF Redgelog Japan Lei Warrinte to sub for Ord - 331 Jarchine Matheman Hidge Lei Diel 80.25 (Jap.

JF Redgeling Japan Ld Warranto to app for Ord - 3312
Jerotre Alexanor Hidge Ld Ord 80.25 (Japanor) Register) - 55 (284/98)
Johnson Group Cleman PLC 7.56 (Hall) Criv Cum Rad Pri 100 - 140 4 (284/98)
Johnson Group Edoman PLC 7.56 (Hall) Criv Cum Rad Pri 100 - 140 4 (284/98)
Jurya Hold Group FLC Ord 2012 5 - 280 70 (284/98)
Jurya Hold Group FLC ADR (21) - 515.29
Korne-Europa Fund Ld 58459DR to 84) 80.10
(Con 8) - 54187/26
Namura ASA A San Not12.50 - NeCALE 61
Ladocias Group PLC 1076 and Cum Pri 51 - 107 (284/98)
Lamont Hidge PLC 1076 and Cum Pri 51 - 107 (284/98)
Land Sancrides PLC 976 1st Mitg Data Set 68/ 197 (1) Global Active Fund - 218.85 687 687 (1) Lazord Select Investment Treat Ld Ptg Rad Pri 0,10 Global Active Fund - 217.74 17.77
(244/98)
Lazord Select Investment Treat Ld Ptg Rad Pri 0,10 LLC Active Fund - 217.74 17.77
(244/98)
Lazord Select Investment Treat Ld Ptg Rad

Pri 1, 19 Li. Luquid Amenia Parid - Tilli (244,948) Investment Time Ld Pig Pad Pri 1, 19 Europe Index Parid - 121,58 21,58 (244,948) Landa & Holbeck Bulking Society 137,56 Perm Int Seating Sta 17,000 - 27,55°2 Lendy Lindy Burdenia Pig Str Com Pri Sik 11 - 60 Liberty International Mage PLC S 806 Cmv Pri 11 - 56

C1 - 98
London International Group PLC ADR (6:1) \$12.12
London PLC ADR (1:1) - \$2.82
London PLC 10¹4% 1st May Dab Six \$72002
- \$102½
London PLC 10¹4% 1st May Dab Six \$72002
- \$102½
London PLC 10¹4% 1st May Dab Six 2017 \$100½
Six 2014-69
MSPC PLC 3.85% Cum Pel Six \$1 - \$3
244.460

MEPC PLC 10¹/₂% Une Ln Six 2032 - £110¹/₆ 283496 McCardhy & Stone PLC 6.75% Cash Red Prf 2003 £1 - 90¹/₂ (1₄ Merica & Spencer PLC ADH (6:1) - 81626 Mechanishs PLC 10% Cash Prf £1 - 804 (284496) Medicas PLC ADR (4:1) - 8162 (284496) Mericas PLC ADR (4:1) - 8162 (284496) Mericas PLC Six (4:1) - 8162 (284496) Mericas PLC Six (4:1) - 8162 (284496) Merica Santi PLC 1446 Subord Une Ln Six 200207 - £12518 .805 .825% Cav Coin Red Prf £1 - 77 80 (284496) Merica Six (4:1) - 77 80 (284496) Merica Six (4:1) - 77 80 (284496) Merica Six (4:1) - 78 80 (284496) Merica Six (4:1) - 8162

Newcastle Building Society 12/1% Penn International State 21000 - 2134/4 2044/96 (2044/96) (2044/96) (2044/96) (2044/96) (2047/96

1st Cum Pri E1 - 70 1½ (28M/96)
Northchart Investments Ld R 0.10 - 00.56
(24M/96)
Northern Foods PLC 6½% Car Sebord Bris
2008 (Reg) - 285½ (29M/96)
Northern Foods PLEGING Society 12½% Pumm
We Bissering San E1000 - 1150½ (29M/96)
Porter PLC Grd 10p - 42 4
Pacific Gass & George Card Card San of Card San & George PLC
1-225½
Persteer Securities PLC Was to sate for Ons - 8 10½ (29M/96)
Pinkland Group PLC Ond 25p - 182
Patterson Zochones PLC 10% Card Pri £1 - 118½ 20 (24M/96)

Pent Hidge PLC SP₂% fast leng Deb Sek 2011 - 2103/2 (2844/68) Pent Hidge PLC S255/6 (Flas) Grav Class Many-Vig Pri C 1 - 148 SC Patiens Poptie PLC Spiffeet Cum Can Find Put 1 flas - 270 Plands PLC Bys Cum Pri El - St (256)60 R 10 - Chio Gressili, 672 by 6 Plands PLC Bys Cum Pri El - St (256)60 Particion & General Ione PLC 9/29/5 Curs Red Prf 21 - 96 7 Poteloterunt Performen Lei Ord 90.026 - 350 Presence Holdings PLC 10.5% Curs Prf 21 -113 (29A)98)

Charte Group free 8.75(plus) Credum/FacShar of PAS Sk. 2016 - 165 Cale-yell)
Charact Most House PLC 1256 198 high Date
Sk. 2013 - 208 (208-yell)
Cutens Most House PLC 104-16 for high
Date Sk. 2020 - Date Cale-yell
PS Sk. 2020 - Date Cale-yell
PS Sk. 2020 - Date Sk. 2020 - 205
PS Sk. 2020 - Date Date Sk. 2020 - 205
PS Sk. 2020 - Date Sk. 2020 - 2020
PS Sk. 2020 - 1126 kg.
PS Sk.

PIT X 1 * Pay
Poth Inc She of Corn Ste 91 * \$21 .1
[289/46]
Robe-Payce Power Engineering PLC 396
Dam Fed Pri CT - III
Planeon PLC Ont 5p - 46
Royal Insurance Holdings PLC 71/16 Onv
Subood Side 2007 (87 2 Vm) - 2154
[289/46]
Rugby Group PLC 596 Unit Lis Site 86/69 236/2 (289/46)
Resembly (1 PLC 86/6) PLC 57/76 Own Onv Red
Pri - 106 (289/66)
PLC 88/66 Corn Red Pri 3001/65 C1 106 (246/66)
Scholl PLC 88/66 Corn Red Pri 3008/11
21 - 100 (246/66)

138 Group PLC 10²/₁76 Subget Lu Sit 2008 - 2112³/₂ 2112³/₂ 1alpat Funci Unite (ECF; 10 Se) - 57750¢ Tale & Lyte PLC 40²/₂76 (1205) give a traceo-(ICLer PH SI - 12 (Diskyot) Tale & Lyte PLC 95 Live Ln Sit 2003/05 -5974 (2004/05) Taleo PLC 405 Live Ln Sit 2003/05 -2074 (2004/05) Taleo PLC 495 Unit Deep Dilec Ln Sit 2008 -2007 (2004/05)

whiter House PLC 97g% Um Ln 3th 2000/ 56 - 555-2 255-65

Schooler Roma Fund PLC Way to Sale for Ord (Sa) - \$4.7 Souther Newson Property PLC 101-26
144 Rig Date Stat 2016 - 1/17/2
Seagth Newson Property PLC 101-26
144 Rig Date Stat 2016 - 1/17/2
Seagner Pediers PLC 121-26 Date Stat 2012
- 5/12/2 (24/4/66)
Seagner Group PLC-4/35/6 Cure Pag Pri 21
- 5/2/2 4
Stagging Glovin M.A. 5 - 1

Stephin Gloup PLC Old Sp = 13 ½ 4 ½ ½ ½ ½ 5 ½

2 5 2
Steptin (Rector (LIG)*PLC 7.876;pitch Curn Red Pri She 2008 - 75%
Signer Group PLC ADR (2:1) - S1.16
Signer Group PLC ADR (2:1) - S1.16
Signer Group PLC ADR (2:1) - S1.16
Signer Fam Rubber Steptine PLC Out Sp205 % (244,ptg)
Signer S Plandander Group PLC 8.5% Cur
Signer & Plandander Group PLC 8.5% Cur

2007; (2004)09)
hal Prote Fund Let Pig Find Pri 50,01 =
\$18.5 (2004)09
hallerd international Fund Let Pig Sins \$0.01
(DRYs to Br) = \$35500 (2004)09
Hallerd international Fund Let Pig Sins \$0.01 THORN EAR PLC Wits to sub for Ord - 6
(204-06)

Traffician House PLC 101/75 Lieu Ln Stat 2001/06 - 696 Transport Development Group PLC 6*4% Line Lines USSN - 27070 Liss Lin Res (1904 - 1970).

Tenneport Development Group PLC 12(28) in Lins Lin Sit. 2008 - 5122 (244)-90)

Tiples: Lisyd PLC 3,85% (Fmly 5)-2% Cure 971 E1 - 529; (244)-90

Lingses PLC ADR (1:1) - 56.2 (264)-98; Linslews PLC ADR (4:1) - 575 75.58 (264)-96 Uniters Corp Corp Stk \$0.01 - 65 4 6 7.85

Aug Group PLC 9,878% Date 9th 2015 -£1074 (2004)469 re PLC 5% Com(Tax Figur To 30p)Prf

Sik 21 - 70
Vacations Group PLC ADR(10:1) - 830 ½
VASN Group PLC 10*2% Cum Flad PV 80*
2002 21 - 88 7 (29%)60)
Wagnen Inchapted Holpe PLC 1.25p (44%-Cum
Pig PH 10p - 115 (29%)60)
Weithurg SLG1 Group PLC 7.5% Cum Pet 21
PET 10 - 105*2 (24%)60)
Water Purple PLC 84.1% Cum Fled PH
2006 21 - 105*2 (24%)60
Water Purple Design PLC 84.1% Cum Fled PH
2006 21 - 105*2 (24%)60
Water Purple & Company Sha of Cora Sist \$5 \$24.04.0 Warekhave Property Corp PLC 8.6%; 1st Mag Dato Str. 2015 - 200¹2 (2014/98) West Keet Water Co 416 Perp Dato Set - 941 (2014/98)

Ministreed PLC 6% 3rd Cure Per Stk. 21 - 68 Whitereas PLC 7% and Quen Pyl Sat 21 - 77 Whiterest PLC 75/95 Upo Lin Sec 95/90 v. Mikhend PLC 916 Uns Ln Sik 97/2001 -£101²2 (284666) Mikhend Holgs PLC 10²4% Cum PH £1 - 12£ Williams Huge PLC 104(% Gun PH XI = 12) Willis Cortoon Group PLC ADR (6:1) - C124 and Nigel Let Ond AG25 - 16th

(2014)85) Janux Corp Com. 85: \$1 - \$150% (2014)460 Americ Corp Leanuse; 31 - 3159/s; Gamelean York Winnersons R.C. Cot 10p - 502/2 Yorkushin-Tyrio Tues TV Flatge PLC Wits to such for Ord - 385 6 Young & Colfe Researcy PLC 516 Clare Ref St -1156 Yule Catto & Co PLC 11²7% Cum Red Pri 1806/2003 E1²7 102³2 8²27 (28Myet) Zemble Consolidated Copper Mines Lotte* Drd RTO + \$1.056

Investment Trusts Alliance Trust PLC 41216 Deb Six Red after 1555/56 - 94912 (284)466) Skille Gillard Shin Nippon PLC Warrants to sub, for Ord 2005 - 46 6 Baring Tribute investment Yout PLCS & M. Deb Sik 2012 - E1015 & D

Baronemend Investments Trust PLC Was to an act Cod - 65 | British Assets Trust PLC "A" 676 Prif StagGard - 252 24 StigCum) - 222-24
British Access Trust PLC Equition index ULS
2006 10p - 167 8
British Investment Trust PLC SigN Pri
Capital Georing Trust PLC Ord 25p - 860
- 24M/469
Cum Pri Sig - 2550
Cum Pri Sig - 2550 Signatury Color 2004 Edinburgh Investment Trust PLC 11³2% Deb Sibt 2014 - £1241, (244)406 Finibury Smaller Color Trust PLC Zero Div Pri 250 - 2256

259 - 2559
Flaming Chresticause ine Thant PLC 11% Dato
Sit 2008 - E115&
Resting Macanible ine Trust PLC 3.5% CumPri Bit St - 50 pillings
Germore British inc & Grift Tat PLCZero Discient Pri 10p - 134½ 5
Germore Sheed Boylly Than PLC Germol
Ord Inc 10p - 82.2 3½
Genetic Sensols Inc Tata PLC 100-16 Date
Clouds Sensols Inc Tata PLC 100-16 Date Cover Systems for Trust PLC 10¹/₂% Deb 96: 2016 - C112¹/₂ ½ 2261/98) HTR Spenses Smaller Co¹/₂ Trust PLCO₂ 250 - 106: 2 ¹/₂ 45: ¹/₂ ½ 55: 7 ¹/₂ 8 6 ¹/₂ 10

10
Harriston Investment Trust PLC 8% Cum PV
88: 51 - 51 (Imity Imit)
Healt Investment Trust PLC Gree of 20p 103 (28My66)
Lacard Smaller Squittee Inv Tet PLCCum Red
Stepped Capped Pri 51 - 155/2 8
London 6. St Lacermon Investment PLCCrd
6p - 163
- 2012 - 5117/2
Microsoft Investment Trust PLC 11% Data Six
2012 - 5117/2
Microsoft Fill Statement Cols Tet PLC Williams Normalian Chi - 278 I Manny International Titlet PLC 2.9% (Jum Pri 21 - 50 (2014)06)

Onb Std. 2008 - \$125 (2464/98) New Throgmorton Trust(1983) PLC Zaro C Deb Six 1986 - 265% Olan Conventible Trust PLC Units (Comp. e Ord & 2 Zero Con Pri) - 715 (28M/98)

Scottleth Editions Inv Trust PLC 94-14 Date Sta. 2020 - £1074-0

Scottleth National Trust PLG 10% Oats Sile 2011 - £1091₂ (20My96) Shires Smaller Co's PLC Wis to Sub for Oct - 45

TR Pacific Investment Trust PLC "C"886 C1

Witten Investment Co PLC 894 Dab Sti; SERes Waten investment Co PLC 84,16 Each Bdg 2008 (Sr E Var) - £1164, 1174

FT GUIDE

GOURMET TOURS OF FRANCE

in association with the Omega Tourer from Vauxhall

Published with the FT in the UK on Saturday 18th May, this guide recommends chateaux and country houses in which to stay, restaurants and bistros on and off the beaten track, as well as places of historical and cultural interest. There is also a special section which gives you advice on how to get the best out of a motoring holiday in France.

The Guide also features an exclusive promotion for FT readers, offering up to four nights accommodation in France for only £10, courtesy of the new Omega Tourer from Vauxhall. To enter this promotion call 0171 413 3176 now for a free application card.

If you would like to order a back copy of the Guide, simply complete the coupon below.

Please complete the coupon below, and send together with a cheque for £2.50 (including postage and packaging) to:

Jo Rook, 5th Floor, Financial Times Ltd., No.1 Southwark Bridge, London SE1 9HL

Mr/Mrs/Ms	*******************************	Initials	43144
Address		• •	

100100041-8141641816-201472817181718171817181719471948-10-	Postcode		***********
Daytime telephone number	**************************************		

LONDON STOCK EXCHANGE

WARKET REPORT

Wall Street decline knocks UK equity market

 $(1+\epsilon_1)_{i=1,\ldots,k}$

all

'Cav

And

0 15

 $\tau_{i+1} \lesssim 3$

 $+ - (\chi \circ \mathfrak{M} \mathfrak{t})$

FT-SE MM 250

FI-SE IN 250 as Inv Trade

Time of FT-SE 100 High; 12:55 PM Low: 4:17 PM

Ridg & Chetron Phermacounicie

F7-8E 100

FT-SE-A 350 FT-SE-A 350 Higher York FT-SE-A 350 Linear York

■ FT-SE Actuaries 350 Industry baskets

Ореп

1188.9

4956.4

Bess Base date value

FT-SE-M 286 & ex LT.s 31/12/85 1412/80 Water FT-SE-A 350 31/12/85 682/94 Non-Pronocinio FT-SE-A 350 Higher Year 31/12/85 682/94 FT-SE-A All-Share

The FT-SE Adharine Rener inclines are calculated by FT-SE international L The FT-SE Agharine-Steam indices are calculated in necordance with a six Actuation. FT-SE Agharine-Steam indices are endotwised in the London Spock Ent Actuation. FT-SE Agharine-Steam FT-SE Agharine and FT-SE Agharine and FT-SE Agharine and FT-SE Agharine granter than 30 are not shown.

31/12/83 1000.00 Sectricity

31/12/85 682.94 All Other

10.00

1190.7

4972.8 2251.1

9,00

1189.3 4966.0 2250.7

11.00

1191.9

4968.9 2248.8

1200

1197.7 4970.6

2248.1 3998.9

Base yahua

1197.7 4996.0 2252.9

PT-SE-A 360 PT-SE-A 360 Higher Yield PT-SE-A 360 Lower Yield

A late rout in US markets sent shares in London tumbling yesterday as inflationary storm clouds

The Footsie lost its fragile takeover premium to close flat on the day and down on the week. In contrast, the second-line index - where bid and merger activity have been more prevalent - ended up on both

Blue chips were marked higher at the start of trading and built up a reasonable gain of 19.8 shortly after midday. The index was helped by two pieces of encouraging corporate news. Firstly Oftel, the telecoms

regulator, made conciliatory comments suggesting a kinder roling on BT price caps than some analysts had feared. The relief factor and subsequent rise in BT's price contributed nearly 4 points to the FT-SE 100 index

And, lower down the scale, Lucas jumped to the top of the FT-SE Mid 250 Index after announcing it was merging with Varity of the US.

However, there was very little genuine activity in the market and, as has been the case for some time, it was a story of the derivatives tail wagging the equity dog.

The yield ratio between government bonds and equities allows little latitude at the moment. So,

equity investors have been ner-index which was up for the third vously watching the gilts market and tweaking prices through the futures market every time gilts

decline. In turn, bond traders have been keeping a watchful eye on US Treasuries, which have been slipping back on growing concerns about resurgent inflation and the possibility that interest rates could actually

One principal inflationary indicator eagerly awaited by the market is the National Purchasing Managers' Index, which is scheduled to be released on Monday.

But, yesterday, this was preempted by the regional Chicago

month in a row. As the statistics were published, Treasuries fell sharply to record their second one-

point fall this week. Gilts, which had been up half a point earlier in the day, lost half of their strength. Then, Footsie futures were sold back. At the official close on Liffe, the contract was trading some 15 points below its estimated fair value premium to the

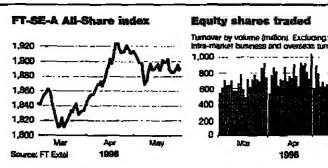
cash market With that sort of weight behind it. the equity market had nowhere to have been weak and volatile, ster-

The Footsie lost all its gains and ended the week only 1.1 up on the day at 3,747.8. Turnover at 6pm was

712.5m shares up on Thursday's level when customer business was worth £1.7bn.

Currently, even some of the most positive strategists are confessing to the odd jitter. Mr Richard Jeffrey of Charterhouse, who has a target for the Footsie of 4,000 for the year end, described the move in US bonds as "a significant setback". He added: "I think one has to feel a little bit edgy about the market."

However, Mr Mark Tinker of HSBC pointed out that while gilts ling, which is generally a reasonable indicator of overseas investors' perceptions, has hit heights unseen for more than a year.



FT-SE Mid 250

FT-SE-A All-Share

FT Ordinary index

FT-SE 100 Fut Jun

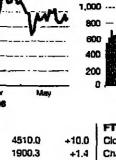
10 vr Gilt vield

FT-SE-A All-Share yield

FT-SE-A Non Fins p/e

Long gilt/equity yld ratio:

FT-SE-A 350



+1.36

3.60

+1.5

-19.0

1885.78

2791.8

16.87

3735.0

8.14

2.22

be the reason for a gain of 7 to 257p at Barratt Developments.

Credit Lyonnais Laing turned

buyer on Persimmon and the

International banking group

Standard Chartered was one of

the market's best performers,

after BZW reiterated its posi-

tive stance on the stock and

upgraded profit expectations. The shares jumped 17 to

642p, as 3.8m were traded in a volatile session. BZW raised its

current year profits forecast by

E15m to £800m and the follow-

ing year's by £30m to £940m

citing, "strong growth in earn-

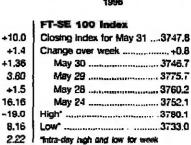
ings per share over the next 3

to 5 years of 16 per cent per

Analysts at the securities

stock jumped 5 to 230p.

3.81



TRADING VOLUME IN MAJOR STOCKS 1954 4844 423 457 165 251 1445 271 145 Pacon 1,200
6,400
779
212
7,300
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,800
2,80 124424 W 2417

EQUITY FUTURES AND OPTIONS TRADING 8,500 lots traded, and the thin conditions were said to have

Stock index futures fell for the second day running, hit by heavy selling in the final hour of trading following an early slide for US Treasury bonds. writes Jeffrey Brown. The FT-SE 100 June

contract dipped to 3,734 at the close of pit trading, down 20 points for a two-day setback of 50 points. On the week, the net decline

was 22 points. Volume reverted to the duli levels seen during the early

exaggerated the late downswing. At the close, June stood at a hopes discount to the cash market of 12 points and was a full 15 points shy of fair value

Traded options volume was 40,000, with stock options in Lucas Industries accounting for a fifth of the business, at 8,180

PowerGen traded 2.018 lots

part of the week with just							and British Gas 1,818 lots.						
e Fi	-SE 100 RG		FUTU	RES (LIFFE) 2	25 pe	sul in	ndex poi	nt				(APT)
	Ope	30	Sett	price	Chang	•	High	Lo		Est. V	roj	Open	int,
July	3765	5.0	373	5.0	-19.0	3	774.0	3720	3.0	1089	Ø	504	78
Sap	3772	10	374	2.5	-19.0	3	779.0	3745	Q.	660	,	108	61
Sap Dec	3806	1.0	577	1.0	-18.0	3	906.0	3800	O.C	82		83	2
F	-SE HID 25	D IN	DEX F	UTUE	IES (LIF	PE) E1	0 per	tull inde	x poi	nt _			
Jun.	. 4520	0.0	451	5.0	+5.0	4	520.0	4520	10	450	_	414	
Sep	4558	LO	455	3.0	-5.0	4	558.0	4558	LO	450	1	0	
	-SE 100 INE	EX	ортк	N Q.E	FE) (37	45) £	10 per	full Inde	K PO	int	_		_
	3550	36	30	3650	37	100	379	0 3	806	386	20	39	90
	G P	C	В.	C	PG	P	0	PC	P	C	P	C	P

3578 3625 3675 3725 3775 3625 3675 3625 165 5¹/₂ 118¹/₂ 10¹/₂ 77¹/₂ 18 42¹/₂ 32¹/₂ 19 52¹/₂ 7¹/₂ 97¹/₂ 2 141¹/₂ 1 189¹/₂ 178 15¹/₂ 158¹/₂ 25¹/₂ 102 38¹/₂ 77 57 48 81¹/₂ 27 112¹/₂ 12¹/₂ 147 6¹/₂ 191 180¹/₂ 31¹/₂ 153¹/₂ 14 120 52¹/₂ 289¹/₂ 79 52¹/₂ 102¹/₂ 28¹/₂ 183¹/₂ 15 202 172²/₂ 57 234²/₂ 53¹/₂ 177 132¹/₂ 124 176¹/₂ 53 231¹/₂

FT-SE-A	INDICES	- LEAD	ERS & LA	GGARDS	
Percentage cha	ngen since De	cember 29 1	965 beend on	Friday May 31	1996
Support Sarviors	+29.18	Health Core	+85	2 Retailers, Food	

Philippin L with Figure manufacture Titles 19		Liberaried 1 page 1 witness to 1 to 1 to
nomening, Vehicles +23.20	Property+8.50	Telecocomunications+2.61
Andia+21.50	Paper, Point & Printing +6.18	FT-SE 100+1.59
eisura & Hotele+20.82		
M Expication & Fred+18.10		
uliding & Construction _ +15.88		Tentiles & Apparel+0.44
	Mineral Extraction+6.60	
T-SE SmedCap ex ITs +15.55		
Harmutors+15.40	Gan Industrials+6.33	
T-SE Small(20)+14.38		
	Hon-Floangisia	
	FT-SE-A All-Share+4.59	
	Building Masis+4.58	
	Life Assertance)	
110 AS	Web+3.95	Tobsorn A 35
Carlot Comment of the	TO A SAME AND A SAME A	The Production of the Pro-

1844

15.00

1195.8

4941.B

S1/12/90 1000.00 FT-SE SmallCop & ox LT.s 31/12/92 1983.79 9 Exp & Prod Total Reta 31/12/93 1007.23 20/12/84 1000.00 FT-SE-A Fledgling ox law Table 10/14/82 100.00 FT-SE-A Fledgling ox law Table 10/14/82 100.00 FT-SE-A Fledgling ox law Table 10/14/82 100.00 FT-SE-A Retain Indiana 10/14/82 100.00 FT-SE-A Retain Indiana 31/12/93 1000.00 FT-SE-A Retain Indiana 31/12/

Bese Base date value

16.00

1197.5

4961.5 2255.0

16.10

1194,9 4924,6 2251,5

Close

1194.0 4926.2 2251.3

Previous

1188.9 4958.2 2256.3

Second Second

184 363.5 264 4015.3 264 4634.4 184 1818.3 15/2 1718.3 254 1818.2 21/5 1854.6 21/5 1831.8 194 1831.8

12/3 3857.1 19/4/96 986.9 23/7/84

15/2/96 26/4/96 21/5/96 21/5/96

986.9 23/764 1378.4 21/766 1378.3 29/766 684.5 14/766 574.2 14/766 588.5 21/766 1361.76 31/762 282.76 31/762

BT up on regulator

Telecoms giant BT, buoyed lately by hopes for less onerous price regulation, rounded off a strong week by being the best Footsie performer.

The odds on favourable price cap proposals from Oftel appeared to shorten noticeably yesterday, and the shares stormed ahead.

Mr Don Cruickshank, head of Oftel, has welcomed the level of increases in exchange line rentals which BT

announced earlier.
The shares closed up 9% at 855%p, in 22m traded, for a tive-day advance of more than

6 per cent. The Oftel document is due next week, possibly Monday. "Given the near 7 per cent yield, the stock could move close to 390p, should Oftel come up trumps", said one elecoms analyst.

ICI disposal talk Chemicals group ICI gained

4 to 853p, as talk circulated that it is about to sell its stake in EVC, Europe's largest producer of PVC. EVC, established as a joint

venture by ICI and Italian group Enichem, was floated in Amsterdam in November 1994. One analyst suggested ICI is likely to sell the holding for around £115m.

Speculation about the sale also prompted the return of talk that ICI may be considering a share buy-back scheme as a way of returning value to

Lucas deal feted

News of the merger with Varity of the US hoisted motor more than 6 per cent to a new all-time high in the heaviest volume for two years.

The deal was said by analysts to be "strongly earnings enhancing" and the shares powered ahead by 14 to 245p. Turnover was 29m, with the equivalent of a further 8m passing through the traded options pits.

The analysts' meeting was

decribed as complex but intelli-NEW 52 WEEK HIGHS AND LOWS

AND LOWS

NEW HIGHS (106).

GLTS (7) ALCOHOLIC BEVERAGES (7)

Mattree Cart, SREWERES, PLESS & REST (5)

BOS. COMPASS, GROUP CREZ GETT, INT

Business, Young A. BUILDINGS & CRETTRI (6)

BOS. COMPASS, GROUP CREZ GETT, INT

Business, Young A. BUILDINGS & CRETTRI (6)

Army, Bail (14), Burson, Herelock Europe,

BLDG MATLE & MCHTE (1) Dirby.

CHEMEGALS GO DOSER, Pornet, Yule Cato,

DISTRIBETTORIS (6) Coute, Harms (Phi, Kink-Pe,

Verby (Radg), ELECTRING & BLECT ESUP (3)

Donelfron Mr. Forward, Passmee, BNGINEERING

(1) Cook (Wing, BNG, VERICLES (1) Lucas inds,

EXTRACTIVE BIDS (1) Archesin God, FOOD

PRODUCERS (1) Lendul, HEALTH CARE (2)

Kymoth, Scholl, HOUSEHOLD GOODS (4)

Aropring Furniburs, Bilbon & Businesson, Walker

Groenbark, Websirlord Wedgerood, INSURANDE (2) Hebrain, Wills Carron, Brivestment'

THUST'S (20) LESSIRE & HOTLES (8) BS, Bar &

Walker, Armold, Genes Workshop, H-Tac Sports, Cusersphorough, Tottsrheim Hobspur,

MESDA (4) Filter, Mescen, Portsmouth &

PROD (1) OTHER RHANGAL (1) PAPER,

PROKES & PRESTOR (1) Condalide, PROPERTY

(5) RETARLERS, GERERAL (6) Bentals,

Betarvers, Blacin Leloure, Carpenight, Country

Cassals, Goldenthe, JLB Sports, MF Furniburs,

Moss Bros, SUPPORT SERNS (14) TEXTILES &

APPARES, GERERAL (7) Nationsborn, BLDG MATLE &

ANGATE (3) BARNES, MERCHANT (1) Caser Allen,

BANGES, RETALL (1) Nationsborn, BLDG MATLE

A MCHTS (1) Carbon, Diversers BD MENLS (1)

(1) Ropner, ENGINEERING (2) Crabtree, Dicker

(1) Ropner, ENGINEERING (2) Crabtree, Dicker

Indiner, Standista Solizione, DRVERSE/ED MOI (1) Ropner, ENGENEERING (3) Crabiree, Dicise (3, Wagon Ind'1, FOOD PRODUCERS (3) Bale Wassenen NV, Danone, United Biscutts,

gent. The more positive aspects of the deal, which stands to put Lucas back in the FT-SE 100 index, were said to be tax advantages, cost savings and broad industrial synergy.

"The merger should be for-So, if there is a counter bidder in the wings it will have to get a move on," said one leading

He added: "At the moment most of what is in the price is further predatory moves

appear to have widened a bit." RMC lurched downwards folforecast of "appreciably lower" first half profits, but recovered

The building materials leader had warned in April that the year had made a dull start, and yesterday most analysts held their earnings esti-mates. The shares, off 16 at one stage, ended down 9 at 1006p. A positive change of stance

by a leading broker was said to

house added: "The current rating does not reflect this potenupside."

annum,'

Wessenson NY, Derices, United Biscusts, INSURANCE (1) Allegs, BYNESTMENT COMPARIES (4) MEDIA (1) Adaptes, OTHER FRANCEZ, (1) Entir Inv. PAPER, PACKO & PRINTE (2) Javis Porter, UPVA-Kymmane, TEXTLES & APPAREL (2) Alled Textile, Leeds Group, AMERICANS (1).

mally ratified by early autumn. engineering analyst.

the Varity deal. The odds on

some poise later in the day.

This was based on a number of

E CHIEF PRICE CHANGES

313 + 20BT 35513+ 913 Close Bros L Gardner Man Ltd Mid Kent Hidas 490 Richards 66 + 17 Stand Chart 642

tial, so there is still a lot of In the rest of the banks, a positive annual meeting at market. HSBC boosted trading in the group's shares. They put on 8

There was talk of stakebuilding in Sedgwick Group, where the the shares firmed 41/2 Electronics group GEC was

run up strongly on the back of a number of vague rumours. The most persistent story revived hopes for an imminent demerger at GEC-Alsthom, the French joint venture valued at more than £3bn.

"There is certainly a feeling around that GEC is up to something, although the rumours look at odds with the timing of management changes with Lucas boss George Simpson not taking up the reins until September," said one sector

GEC ended 51/2 higher at 3721/ap, in above average volume of 7.3m. The stores sector was fuelled

by positive consumer credit figures, with HSBC James Capel forecasting that the UK was on the verge of a "veritable boom"

Marks & Spencer rose 4 to 462%p, Kingfisher 2 to 609p and Dixons 3 to 501p, with Merrill Lynch positive on all three stocks. Argos rose 15 to 731p. MPI Furniture rose 5 to 1840 with ABN Amro Hoare Govett

upgrading its forecast for 118p. 1996-97 to £84m from £70m. All factors, including a forecast of Floated at 100p, the shares a small pick-up in the housing

187 170½ - 3 249 - 65 **Brit Steel** 24712~ 712 118 - 8

Boots weakened a penny to 609p ahead of next Thursday's results and the market's ner-

vousness about its intentions

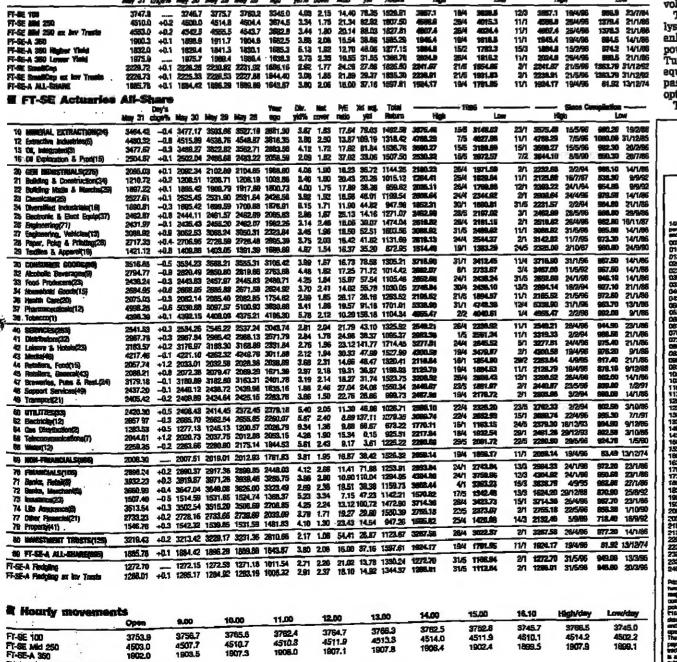
towards Do it Ali. Lloyds Chemists strength ened 4 to 474p with UniChem, one of the bidders for the company, stating at its annual meeting that it was confident of a "favourable outcome" from a Monopolies and Mergers Commission investigation into whether bids for Lloyds

could proceed. Analysts yesterday dismissed speculation that Asda and Argyll may merge. One analyst said there would be a number of problems in any such move including an overlap, particularly in Scotland, which would provoke major Monopolies and Mergers Commission concerns. Asda eased to 118%p. Argyll rose 8 to

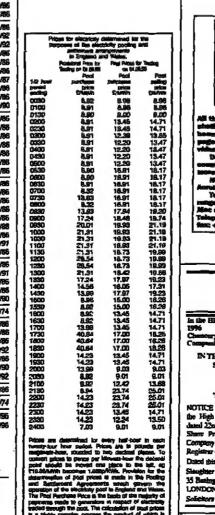
Among utilities, Yorkshire Water - viewed by many in the market as a potential bid target - yesterday retreated on consistent profit-taking. The day's worst performer in the FT-SE Mid 250 index.

Dry-cleaning specialist Sketchley came off steeply following reduced profits and a rights issue at 105p a share. The stock ended 8 lower at

AlM newcomer Independent Energy made a strong debut. closed at 115p.



Your Div. Net P/E Xd edj. Total ago yiells power miles yes Rotans



operation of the sheckning pool to England and Wasse. The Pinel Berchare Picca is in Bashe of the mighty of paperanes reade to generation on cospect of electricity restored servicip the soot. The Inchesistent of subgriding is a highly convelor, process the product of which he actions a subgirt convelor process the product of which he acquire, to sendent or correction part are desirable and accordance with a processing of the sendent and final pool prices are of obtained and examina, accordancy, due to the possibility of main restore, and/or expression, not relaxed and/or expression, in the colorest amount of another appropriate prices for any exp basing the manual and final pool prices are large to produce angular of maintage. Prof. Entitle 1 on the control prices are any production of the pro

deprination of Pool Parthuse Prior. Furth interruption on pool priors is provided on tried of the Pool by Every September and Intervation Sentace. Crimitic. According inside part in these such levels straids slephone Drift 946 GTSI between 620cm are for from National to Priors. Objerty Berlievens and Intervation Services Limited Charges Services and Intervation Services Limited Committee Committ

Change

+5.1 -32.0 -5.0

+125

COUNTRY SURVEYS ON DISK All the motivale, comment and case station that have trailitionally only how some inside the FTA plant pages are low available on individual computer distincts.

Designed for the screen, FT country surveys have never been into accounts or says to see.

No particular product required, famulat reader from Adoin tenhand. To parchase from Adoin tenhand reader from Particular and FT country streets in Applic Mac or Windows Format

Talaphone 446 (0) 272 273 4365 or face or 446 (8) 273 873 4862 LEGAL NOTICES

> IN THE MAITER OF GEC-MARCONI SONAR SYSTEMS LIMITED IN THE MATTER OF

NOTICE IS HEREBY CIVEN that the Order of the High Court of Justice (Chancery Division) dated 22nd May, 1996 confirming the resistance of Share Premium Account of the above-mated Company by £14,648,653 was registered by the Registers of Companies on 23rd May, 1996. Dated this 29th day of May 1996 Staughter and May (RLH) 35 Basinghall Street LONDON EC2V 5DB Solicitors for the above-rantedCorp.

MEDICAL SUPPLIES

Best Quality, Price & Delivery ALITOM HONG KONG Tel: (0852) 2521 1444

ipotent. Country of onigin : Chic

The Top Opportunities Section For senior management positions

+44 0171 873 3779

For advertising information, call: Will Thomas

THE ALL ENGLAND LAWN TENNIS GROUND plc ("Company") \$2,000 pourinal debeatures 1996/2000 Series ("Centre Court Debentures")

Set out below are the prices and dates of the three most recent transaction in the Centre Court Debentures, as notified to the Company.

The amount of £19,625 has been paid up on the Centre Court Debenture. £31,000 (10/05/96); £31,000 (10/05/96); £29,500 (03/05/96) £500 nominal debentures 1997/2001 Series ("No, 1 Court Debentures")

Set out below are the prices and dates of the three most recent transaction in the No.1 Court Debentures, as notified to the Company.

The amount of £2,850 has been paid up on the No.1 Court Debentures. The final instalment of £7,050 is due on 31 January 1997. £3,100 (20/05/96); £3,100 (20/05/96); £3,100 (20/05/96) adversionment appears as a maner of record only and has been approved for the purposes and N of the Financial Services Act 19th by Nat West Markets Corporate Finance Limited

Company	Mid Price(p)	Change on Wk (p)	Company	Mid Price(p)	Change on Wh (pr
Advanced Media Grp PL			Parry People Movers Lad	520	
Anderson Resources PL			Outdoor Entraprises Ltd	25	40,50
Ambian Gold PLC	35	+2	Paveline Holdings J.L.C.	250	
Arnos Village PLC	30		Po Na Na Genup PLC	10	· I
Arsenal FC	140000		Prof Enterprise Cop	1.35	
Assertd Cart Costros	35		Program UK PLL	43	
Barter Securities	7		Rangery PC	1-20	-70
Baroham Broom PLC	48		Relegas PLC	2.5	
Brigganic Group PLC *	23		Substation Petroleum PLC	3	
Count Railway	IUD		Secreted Property Down	13	
Chartfield Fond Mens P	LC 75		Shepherd Norme Ltd.	TURE	
Cloud Base PLC	16		Software Grupp Lineard		
Commy Minerals PLC	3.25		Summ Karbour Holdings	125	-5
De Bais PLC	130		Syence Stan Care PLC	45	-1
Europian Holdings Lud	22.5		Tilehouse Group PLC	375	
The Passons Patr Compa			Transport Systems PLC	6	
Gebrai Trest PLC	103		Transcence Technologies	123	
			Transacted Holdings Ltd	Iđ	
Oramaile Navigation plo	63	-2	United Business Grp	75	
Generale Shapping	C	-	Linuted Real Estate PLC	145	
Greenster Hotels			ViewCall Europe PLC *	72	
Plydro Hosel E Bourse	400	_	Visual fx PLC	4	
IES Good PLC =	.300	-30	Watermark Carrey	- 11	
briets Marine Oil	.20	-4	Westshin Ltd	2000	
Lubyrenth Group PLC	28		Wellington Mil. & Prop	55	
Lion Publishing PLC	JUO		Welch Gold PLC	.36	
Motors Media PLC	220		Westworth Intal Group	1.5	
Mulherrics PLC	1.5		Western PLC	ND	
National Parking Corp	460	45	Wymneny & Clayu Farm	era 455	
Nescall PLC	50		Xarver Competer Group P	LC 12	- 2

address http://www.clicu.co.ck, Proces quoted on that adversacement have been provided by 1 P Jenkow Ltd.

Andreas Control of the control of th मिक्समामिक्समामिक्समामिक्समामिक्समामिक्समामिक्समामिक्समामिक्समामिक्समामिक्समामिक्समामिक्समामिक्समा 100 Capper | 100 C 1301 1.6 1301 1.6 1301 2.0 1301 2 Survival State | Surviv AND THE PROPERTY OF THE PROPER أمائه ألله لدمه أهدا الهداء أمالة أمدأه أدائد 12 87 60 25 151 A 104 12 152 112 THE PACKARD

Print lands, printing provider of distributed in 19 years at a region of the UK'S lessting provider of distributed in 19 years at a region of the UK'S lessting provider of distributed in 19 years at a region of the UK'S lessting provider of distributed in 19 years at a region of the UK'S lessting provider of distributed in 19 years at a region of the UK'S lessting provider of distributed in 19 years at a region of the UK'S lessting provider of distributed in 19 years at a region of the UK'S lessting provider of distributed in 19 years at a region of the UK'S lessting provider of distributed in 19 years at a region of the UK'S lessting provider of distributed in 19 years at a region of the UK'S lessting provider of distributed in 19 years at a region of the UK'S lessting provider of distributed in 19 years at a region of the UK'S lessting provider of distributed in 19 years at a region of the UK'S lessting provider of distributed in 19 years at a region of the 19 years at a region of र।।।।। माना ।। ।।।।।विस् ।।१० १४५ ।।।।।।।

 $\mathbb{E} s / \frac{1}{n} = \frac{n_{i}^{-1}}{n_{i}}$

400

 $\rho \in \mathbb{R}^{3}$ 100 $A_{ij}^{-1}(x) = \frac{1}{2}$

THE CAPITAL

LEGURE 1 HOTELS - Cont.

OTHER FINANCIAL - Con CONDON SHARE SERVICE

PROPERTY - Cont.

PROPERTY SUPPORT SERVICES - Cont. Price Motes of Price 是多級問題以來的學習的信息的研究是可以的問題的語行人的心理不可能相關的可以可以可 TELECOMMUNICATIONS TELECOMMUNICATIONS

18.5 | Note: Price of 1996 Ust

19.5 | Not The wife street of the control of th **AMERICANS** TEXTILES & APPAREL MARKITANA PARAMENTAN Ind nked. THER INVESTMENT TRU

The industry investment from one singles for the control of the Price of the control of t The property of the property o

LONDON SHARE SERVICE

FINANCIAL TIMES

Weekend June 1/June 2 1996



Deal creates world's second-largest brakes maker France

Lucas and Varity launch plans for £3.2bn merger

Lucas Industries, the UK automotive and aerospace equipment group, yesterday announced a £3.2bn (\$4.86bn) merger with Varity Corporation of the US to create the world's second-largest brakes manufac-

which have been discussing a merger since March, have decided to form LucasVarity, a company employing more than 56,000 and boasting combined sales of £4.4bm

Sir Brian Pearse, chairman of Lucas, said the deal would create one of the top 10 automotive suppliers in the world, producing brakes, diesel engines and fuel systems, vehicle electronics and

The Lucas chairman will retain his role within the enlarged group. Mr Victor Rice, chairman of Varity, will become chief exec-utive. Mr George Simpson, the

By Theodor Troey in Soffa and

The likelihood of a default on

Y5bn (\$47.6m) in bonds issued by

sharply yesterday when Mr Dimi-tar Kostov, the Bulgarian finance

minister, made clear that the

government was under no obliga-

tion to cover the bank's debts.
The default would come as a

shock to Japanese investors who

have been heavy buyers of yen-

denominated bonds issued by for-

eign borrowers over the past

One London banker yesterday said a default by Mineralbank

could be "very significant" for colouring Japanese opinion of

emerging market issues, particu-

larly those from eastern and cen-

more closely at the nature of

guarantees and the security pro-

these transactions," he adde

vided by the state to support

Japanese retail investors have

been especially attracted to yen-

denominated bonds issued by

borrowers from the emerging

stors will look

tral Europe.

Bulgaria's Mineralbank increase

Anthony Robinson and Richard Lapper in London

leaving to succeed Lord Wein-Most industry observers wel-

comed the deal, in which Lucas shareholders will receive 62 per cent of the enlarged share capi-tal, and Varity shareholders 38

per cent. Most played down the prospect of a hostile bid emerging, although both Siemens and Mannesmann of Germany have been mooted as potential bidders.

Mr Rice predicted that the two companies - supplying customers such as Volkswagen, General Motors and Ford - would achieve £65m in annual cost savings through increased purchasing power, operating efficiencies and by extending Lucas's existing braking alliance with Sumitomo

Sir Brian, meanwhile, ruled out large-scale redundancies and hinted instead that new orders would soak up excess capacity at Lucas Varity plants. He said the

Bulgarian stance increases

chance of default on bonds

markets because they pay much higher interest rates than those available at home.

Countries ranging from Tunisia to Romania have issued yen bonds in the last year. The

Mineralbank issue was placed

entirely with Japanese investors.

The Bulgarian central bank

vesterday applied to the courts to

initiate bankruptcy proceedings against Mineralbank. The bank

Lv8.6bn (\$62.8m) by the end of

ad accumulated losses of

Although the bank is state-

owned, the Bulgarian finance

minister said the government

was not obliged to pay off its yen

bonds when they mature later

this mouth, "Mineralbank's debts

are not government debts. There

has been no such arrangement."

Other analysis played down

the significance of the move. Mr

Andrew Kenningham, emerging

markets analyst at Merrill Lynch,

the US investment bank, said:

Mr Kostov said.

Government denies obligation to

cover state-owned bank's debts

new company had no plans to sell Lucas's aerospace division. adding that it enjoyed some of the highest margins at the company and was counter-cyclical to the automotive industry.

Under the merger terms, shares in the new group will be distrib-uted to Lucas shareholders on a one-for-one basis. Varity shareholders will receive 1.38 American depository receipts - baskets of shares denominated in dollars for every share of Varity capital stock.

Following the merger, due to be completed in September, the enlarged group will be quoted and have its headquarters in Lon-don, while retaining a New York

listing.
Lucas shares rose 14p to 245p,
while Varity rose \$3% to \$49% in

Brake could yet be put on marriage, Page 7 London stocks, Page 21 See Lex

"This is very specific to Bulgaria

and has no immediate implica-

tions for other borrowers. It sim-

ply underlines the country's for-

Mineralbank placed the bonds

privately in 1989, rather than on

the so-called samurai public mar-

ket for non-Japanese issuers.
Ironically, Mineralbank, which

is believed to be the sole issuer of

garia, was the only bank which

debts when Bulgaria declared a

debt moratorium five years ago.

But those payments weakened its

capital base and contributed to

its current inability to repay.

concern at the long-term dam

Bulgarian bankers express

which default on the bonds could

inflict on Bulgaria's future ability

to attract foreign capital and the

wider impact on other former

communist states, such as

Romania, whose National Bank

has just arranged its first samu-

rat bond issue of Y52bn.

yen-denominated bonds in Bul-

eign exchange shortages."

criticism By Andrew Jack in Paris The head of France Télévision, controller of the country's two

Mr Jean-Pierre Elkabhach announced his decision to quit after 21/4 years during a hastly

arter 2% years during a hashly summoned press conference at which he fiercely defended his strategy for the group.

"I have decided to go," he said at the end of a 15-minute prepared statement, during which he justified his policies. He has been criticised for using independent production comparises and dent production companies and for populist programming.

Mr Elkabbach said he was

egy he had launched, and his staff, would not be undermined. He stressed that since taking control, the group had raised its viewing figures, the quality of programming and profits.

He then left for a board mesting of France Talévision, while members of the CSA, the state audio-visual regulator which is responsible for choosing a successor, met to discuss the consequences of his action.

The CSA had told him of its action with the system at a hearing last month, and he was scheduled to appear before the regulator again next week to explain modifications he planned to make to improve the management of such contracts in future. France Télévision - and notably France 2 - has long come under attack by some for its increasing use of talk abows and other populist programmes, part of an approach to raise audiences and increase advertising revenue,

ingly reliant. The debate intensified in the past few months following publication of a parliamentary report showing the large sums paid to outside contractors. This triggered anger from staff at France who were given what they claimed were far more modest salaries and budgets.

In April, Mr Elkabbach made public his decision to sue one outside producer who he claimed had not provided adequate financial information on his costs. It emerged that France Télévision had also provided interest-free loans to the producer, Mr Jean-Luc Delarue. A Paris court has since rejected his demand.

Mr Elkabbach inflamed the debate further in the past few days by abruptly sacking two of his closest sides.

510258424342826842692872422

Télévision head quits over public

public broadcasting networks, resigned yesterday after growing public criticism of his management approach.

resigning to ensure that the strategy he had launched, and his

quences of his action.

Mr Elkabbach's decision follows a month of attacks linked to growing discontent with the way he has run the France 2 and France 8 stations, and notably the "animator-producer" system of paying large sums to independent production compenies run by talk show hosts.

participants. Of course absolute size is

THE LEX COLUMN Part exchange

The marger of Lucas and Varity should turn out to be a top 10 hit. The combination of two essentially regional companies will produce one truly global motor components supplier with sales of £4.4hn - big enough to be in the top 10 worldwide in an industry where size really matters. The strategic fit is as good as the The strategic fit is as good as the geographic one: LucasVarity will be world number two in brakes after Bosch, with an enhanced capability to make complex braking systems; Vari-ty's Perkins diesel engine business will start sourcing diesel injection systems from Lucas; and there will be synergies from enhanced purchasing and distribution.

Those overlaps have allowed management to promise £130m in cost and tax savings. Coupled with the aggressive expansion planned at Varity itself, analysis expect the merger to enhance earnings per share by over 20 per cent within two years. The enlarged group will also have a much stronger balance sheet than Lucas on its own, allowing it to hang on to the UK group's aerospace division. Longer term, aerospace and even Perkins could be sold to fund further expansion in core areas such as automotive

There is still a danger that a hostile oidder could disrupt the merger, though it would find it very difficult to match the industrial logic. The greater worry is that this is an industry where cost savings tend to be rapidly com-peted away. Much depends therefore on how quickly Mr Victor Rice, the new chief executive, can knock the two companies together. At Lucas, in particular, there is a huge opportunity to improve margins and cash generation - but its culture has proved remarkably resistant to change.

Car parts

If further evidence were needed of the relentless pressure for consolidation among motor components manu-facturers, the Lucas-Varity merger has provided it. Not only are vehicle makers demanding world-wide delivery of increasingly sophisticated component assemblies, which only the biggest suppliers can manage. The industry's members are also putting pressure on each other. LucasVarity is at least partly a response to the recent combination of Bosch and Bendix, two of its biggest rivals in the brake market. And the trend is accelerating: the number of suppliers with annual sales of film or more is expected to haive to 20 by the end of the decade.

FT-SE Eurotrack 200;

often less important than technical prowess or market share in a specific product line. But Lucas, which had both invested heavily in R&D and built decent market positions in brakes and diesels, still found itself suffering from a lack of global scale, Its UK rivals GKN and T&N both look better placed on that score. But the outlook for Valeo, which is heavily dependent on its French home base and on basic components, is less certain. Even Laird has decided to expand out of its highly profitable niche in European rubber sealing systems and is setting up in the US.

Supplier consolidation also has implications for the carmakers themselves. While they have so far actively encouraged it in an effort to reduce their own costs, they would not want the process to go too far. In brakes, for instance, there were only two suppli-ers with global reach to choose from before LucasVarity came along.

UK economy

One swallow does not make a summer. But April's sharp increase in British consumer credit is just the most striking of recent hints that the confident consumer, that clusive cresture, is back. The figures themselves do not, of course, mean people have been spending more money; they may just have been borrowing more. But that still matters - because it suggests confidence. At a time when household debt levels remain obstinately high, this is remarkable. Nonetheless, house prices are creeping up again, net wealth levels are no longer falling and the negative equity problem is shrink-ing fast. With interest rates low and disposable incomes growing, the out-For retailers, this is excellent news.

financial services - it is pretty good too. The feelgood factor is, however, likely to take longer to feed into man-ufacturing. Manufacturing output has been lagging retail spending, as excess stocks have been wound down. And there is little sign that the overhang is mech reform

180° 50 104

exhausted, Export markets, especially in Europe, remain depressed.

But European markets are set to recover. And the stock overhang is only a temporary problem. So manufacturing weakness is likely to be only short-lived. The risk is that, even so, it could still prove a convenient pretext for the chancellor to run too lax a monetary policy - either cutting inter-est rates further, or just falling to raise them. With the High Street already bustling, this would do little to boost manufacturing - and plenty to boost inflation.

Sun Life and Provincial

After only a six-year absence, Sun Life is about to return to the London stock market in a partial flotation by its owner, Union des Assurances de Paris. In the intervening years, the experience of the quoted life insurance sector has not been a happy one. The industry has just emerged from three grim years, having suffered from the scandal of pensions mis-selling and the resulting decline in consumer confidence, a week housing market and increasing competition.

But the timing of the offering looks spot on. The mis-selling sags is in the past, and for the first time in 2% years, industry figures for the first quarter show a rise in premiums. Sun Life is well placed to benefit from recovery, given its strong position with independent financial advisers, whose share of the life insurance market is increasing at looks particularly attractive next to the quoted life assurance companies, which tend to rely on distribution through tied agents and direct sales, tarred by the mis-selling brush.

Partly because Sun Life is actually a better company then most in the sec tor, the price may look expensive. Comparisons are difficult, given the inconsistency of embedded value calculations and uncertainty over how to value orphan assets in some companies which may or may not benefit shareholders. But a premium of more than 50 per cent to embedded value, the likely valuation of Sun Life shares would need to be pretty convincingly justified - even given comfortable dividend cover, the prospect of double-digit dividend growth in the

Continued from Page 1

talks. The four traditional groups - the UUP, DUP, SDLP and Sinn

The talks will put several for-mer terrorists in one room. One

of the most notable victories came in North Belfast where Mr Gerry Kelly, convicted for life for bombing the Old Bailey in Lon-

likely to reinforce the determination of the Rev Ian Paisley, DUP leader, not to be in the same room as Sinn Fáin. Mr Adams called on the gov-

ernments and parties to engage with republicans. "They mightn't like the results, but that's the ballot box for you," he said. don, won a seat. There was little sign that The sight of such adversaries is

Roman Catholics or Protestants had broken tradition by voting in greater numbers for parties outside their communities. The UUP vote suffered from the prolifers tion of unionist parties.

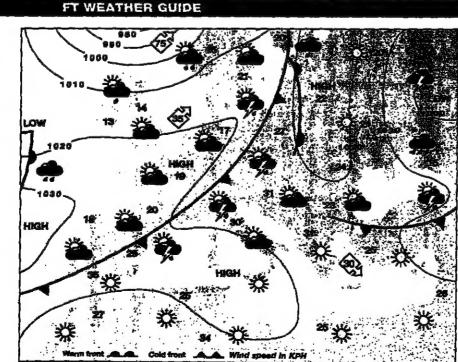
Sinn Féin records success in N Ireland poll

Fein - will be joined by the nonsectarian Alliance party and several fringe groups including two parties representing loyalist para-

Europe today Wastern Norway will have showers and gale force winds, while eastern parts will be cloudy and mainly dry. The rest of Scandinavia will be mostly summy and dry. The Low Countries and western France will be sunny. A frontal zone will bring cloud and inevia will be mostly sunny and dry. rain from Finland to north-east Spain. Thunder showers are likely in Germany and across to the Pyranees. The Mediterraneer will be sunny and hot. Eastern Europe with be surny and warm. Rain and thunder will linger over the eastern Black Sea and stem Russia. Northern parts of the British eastern Russia. Northern pasts strespersed with showers, while southern regions should

Five-day forecast

France will have rain and thunder on Sunday which will acreed into the central Mediterraneen, Frontal disturbances over north-west Europe will result in rain and strong winds. High pressure will promote sunny and warm conditions over eastern



AUT PROPERTY OF THE PROPERTY O 28 22 27 13 18 19 29 31 26 32 14 36 45 25 24 17 18 20 22 rard Geneva Gitratur Gitratur Gitratur Hamburg Helsinid Hong Keng Honotulu Iscanbu Jakarta Jaraty Karachi K. Annales Majorca
Maita
Manchesta
Manita
Manchesta
Manita
Manita
Medico Cit
Miami
Miami
Miami
Miami
Montreal
Moscow
Munich
Nelrobi
Nasnau
New York
Nicoele
Calc
Parts
Parth Constant improvement of our service-Lufthansa

